Daily Report

East Europe

FBIS-EEU-88-119
Tuesday
21 June 1988

Daily Report
East Europe

FBIS-EEU-88-119 *21 June 1988*

CONTENTS

INTRABLOC AFFAIRS

Telecommunications Group Holds Conference *[ADN]* 1
Protocol Signed *[ADN]* 1

ARMS CONTROL & DISARMAMENT

Pact Arms Reduction Group Meets in Sofia *[BTA]* 2
Polish Envoy Addresses Vienna CSCE Conference *[PAP]* 2
Nuclear-Free Zones Meeting Begins in Berlin 2
Tisch Welcomes Guests *[ADN]* 2
Honecker Opens Meeting *[ADN]* 2
Receives Soviets *[ADN]* 2
Szuros Attends *[MTI]* 3
Syrian Arrives *[Damascus SANA]* 3
Meets GDR Official *[Damascus]* 3
'Arafat Arrives *[ADN]* 3
Honecker Addresses Meeting *[ADN]* 3
USSR Official Speaks *[ADN]* 5

ALBANIA

Assembly Commissions Prepare for Session 10
Iranian Ambassador Presents Credentials to Alia 10
Economic Progress Report for 12-18 Jun 88 10
Leaders' Public Appearances 12-18 Jun 88 10

BULGARIA

Zhivkov Receives USSR's Marshal Kulikov 20 Jun 11
Press Conference on Balkan Meeting 11
Leaders Attend Domestic Trade Meeting 11

CZECHOSLOVAKIA

USSR's Antonov Attends News Conference *[RUDE PRAVO 16 Jun]* 12
Ukrainian Delegation Arrives 20 Jun 13
Federal Assembly Holds 10th Session 13
Opens 14 Jun *[RUDE PRAVO 15 Jun]* 13
Officials Answer Questions *[RUDE PRAVO 15 Jun]* 14
1987 Final Account Presented *[RUDE PRAVO 15 Jun]* 15
Attendees Listed 15 Jun *[RUDE PRAVO 16 Jun]* 18
Economic Amendments Approved 18
Leaders' Public Appearances 6-13 June 19

GERMAN DEMOCRATIC REPUBLIC

FRG Protests Obstruction of Journalists *[Hamburg DPA]* 20
Protest Rejected 20
Authorities Ban Editions of Three Church Papers
[Frankfurt/Main FRANKFURTER ALLGEMEINE 20 Jun] 20
Hager Presents Politburo Report to CC Session *[NEUES DEUTSCHLAND 10 Jun]* 20

HUNGARY

Grosz Interviewed on Government Activity *[NEPSZABADSAG 16 Jun]* 55
Police Communique on Arrest of Demonstrators *[NEPSZABADSAG 17 Jun]* 56
Further on Elimination of Romanian Villages 56
KISZ Issues Letter *[MAGYAR HIRLAP 17 Jun]* 56
Lawyers Express Opposition *[MAGYAR NEMZET 17 Jun]* 57
More Associations Protest Plans *[NEPSZABADSAG 18 Jun]* 57
Romanian Report Cited *[MAGYAR NEMZET 17 Jun]* 57
Romanians Turn Down Invitation to Bartok Funeral 58
Egyptian Vice President Lutfi Pays Visit 58
Holds Talks With Grosz 58
Interviewed Prior to Departure 58
Medgyessy Discusses Relations With Italy *[NEPSZABADSAG 11 Jun]* 59
Kadar Meets FRG Economics Official 59

POLAND

GDR's Honecker To Pay Official Visit 60
Council of Ministers Meet, Discuss Issues 60
Rakowski Comments on PZPR CC Plenum 61
PZPR's Czyz Discusses Opposition to Reform *[Madrid MUNDO OBRERO 26 May]* 62
PZPR Aide Views Letter Writers' Complaints *[GAZETA POZNANSKA 10 Jun]* 64
Biographies of Newly Elected PZPR Members 66
Situation at Lenin Shipyards Assessed *[Budapest NEPSZABADSAG 28 May]* 66
Past, Present Relations With Jews Examined *[SLOWO POWSZECHNE 8 Jun]* 68

YUGOSLAVIA

Czechoslovak Premier Continues Meetings, Ends Visit 70
CTK Reports Dinner Toasts 70
Confers With Krunic 70
Talks With Dizdarevic 71
CTK on Meeting With President 71
Visits Tito's Grave *[Prague]* 72
Mikulic, Strougal Hold Talks 72
Talks to Press *[Prague RUDE PRAVO 18 June]* 73
Ends Visit; Departs 73

Telecommunications Group Holds Conference

LD1506091188 East Berlin ADN International Service in German 1118 GMT 14 Jun 88

[Text] Erfurt, 14 Jun (ADN)—The socialist countries' space communications links are to be expanded and modernized in the coming years with new stations and the opening up of higher frequency areas. The annual meeting of the space communication links working group of the 'Intercosmos' program has been considering these topics in Erfurt since Tuesday. Telecommunications specialists from Bulgaria, Czechoslovakia, the GDR, Cuba, Poland, Romania, the Soviet Union, and Hungary, and the 'Intersputnik' international organization for space telecommunications, are also considering the question of increasing the effectiveness of existing satellite communications systems and preparing new ones. One of the working group's main concerns is improved links (compatability) between earth-based and satellite communications systems.

Until Friday, the Intercosmos working group will also be discussing research results from the past 2 years and coordinating main lines of research for the period up to the year 2000. Being discussed for the working plan to 1995 are improvements for satellite communications traffic, which should benefit telephone, teleprinter, and date traffic, and transmission of radio and television programs.

Protocol Signed

LD1806064088 East Berlin ADN International Service in German 1534 GMT 17 Jun 88

[Text] Erfurt, 17 Jun ADN—Radio services via satellites and radio satellites are to be used to expand the socialist countries' space telecommunications in the future. The developments necessary for this were laid down at the annual meeting of the space communications working group of the "Intercosmos" program, which ended in Erfurt on Friday with the signing of a protocol.

There are plans, for example, for the use of very high frequencies for space telecommunications in the joint Intercosmos research center at Dubna (USSR). As Dr Hans-Juergen Hammer, the deputy minister of post and telecommunications of the GDR, told ADN, this will help to achieve a considerable improvement in space transmission capacity. Frequencies that have been used up to now are full and can take no further traffic.

The new satellite radio links are to be integrated into the existing telecommunications network in order to increase its reception and transmission capacity for telecommunications, telex, and data traffic. This will also benefit the transmission of radio and television broadcasts. By 1995, the technical equipment needed on earth and in earth orbit will have been tested.

During the meeting, which was attended by representatives from Bulgaria, the CSSR ,Cuba, Poland, Romania, the Soviet Union, and Hungary, the main research priorities up to the year 2000 were also laid down.

Pact Arms Reduction Group Meets in Sofia

AU1706161488 Sofia BTA in English
1513 GMT 17 Jun 88

["Warsaw Treaty Working Group Meets"—BTA headline]

[Text] Sofia, June 17 (BTA)—The Warsaw Treaty member states' working group of experts on armed forces and conventional arms reduction met in a regular session in Sofia on June 16 and 17. They considered questions concerning the preparations for the second stage of the Conference on Confidence- and Security-Building Measures and Disarmament in Europe.

Polish Envoy Addresses Vienna CSCE Conference

LD1706203588 Warsaw PAP in English
1700 GMT 17 Jun 88

[Text] Vienna, June 17—At a plenary CSCE meeting in Vienna, head of the Polish delegation Wlodzimierz Konarski spoke on the statement of the Polish Government on the plan to decrease armaments and boost confidence in central Europe.

Ambassador Konarski stressed that the statement was expanding the essence of the Polish Government's memorandum from last year and took into consideration postulates from numerous bilateral consultations with allied and Western countries. Poland remains ready to further develop proposals contained in the statement with governments concerned, Konarski said.

Also at the plenary meeting of 19 delegations of Warsaw Treaty and NATO countries, participating in Vienna negotiations on armed forces and armaments reduction in central Europe, Poland's representative Tadeusz Strulak presented the essence of the Polish statement, stressing its significance in the context of positive tendencies in East-West dialogue.

Nuclear-Free Zones Meeting Begins in Berlin

Tisch Welcomes Guests

LD1606184788 East Berlin ADN International Service in German 1539 GMT 16 Jun 88

[Text] Berlin, 16 Jun (ADN)—The first foreign delegations have arrived in Berlin to attend the International Meeting on Nuclear Weapons-Free Zones which begins in Berlin on Monday.

The first guests arrived from Laos, the PDRY, and Namibia.

The Lao delegation is headed by Phoumi Vongvichit, acting president of the Lao People's Democratic Republic and member of the Lao People's Revolutionary Party Central Committee Politburo. The delegation from the PDRY is headed by Salim Salih Muhammad, assistant secretary general of the Yemen Socialist Party Central Committee. Simon Kaukungwa, South-West Africa People's Organization Central Committee member and chairman of the Elders Council, arrived from Namibia.

The guests were welcomed by Harry Tisch, member of the SED Central Committee Politburo and of the GDR State Council, and by SED Central Committee members Werner Mueller, deputy chairman of the SED Central Auditing Commission; and Wolfgang Rauchfuss, deputy chairman of the Council of Ministers.

Honecker Opens Meeting

LD2006121888 East Berlin ADN International Service in German 0847 GMT 20 Jun 88

[Text] Berlin, 20 Jun (ADN)—This morning the International Meeting for Nuclear Weapons-Free Zones started in the Palace of the Republic in Berlin. In his opening address Erich Honecker, chairman of the GDR Council of State and general secretary of the SED Central Committee, welcomed the 1034 guests from 113 countries on all continents, who are taking part in the meeting.

The first chairman of the meeting, Hermann Axen, chairman of the People's Chamber Foreign Affairs Committee, Politburo member, and SED Central Committee secretary, thanked Erich Honecker for his initiative in calling the conference and for his opening speech. The initiative was met with a broad international echo, represented by its wide participation, which exceeds all expectations. The number of participants is so large, Herman Axen said, that some of the guests from the GDR and abroad are following the plenary session in the People's Chamber's large assembly hall.

At the first break in the proceedings Erich Honecker personally welcomed numerous representatives from all over the world in the meeting hall. He had received many of them previously in Berlin or met them while abroad. In a friendly atmosphere, he held short conversations and exchanges of first impressions.

Before the meeting resumed, Erich Honecker received a personal message from Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party, and chairman of the PRK Council of State. It was handed to him by Men Sam-An, leader of the Kampuchean delegation, and member of the Politburo and Central Committee Secretariat. Erich Honecker thanked him cordially for the message.

Receives Soviets

LD2106084588 East Berlin ADN International Service in German 0821 GMT 21 Jun 88

[Text] Berlin, 21 Jun (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, received this morning the Soviet delegation to the International Meeting for Nuclear Weapons-Free Zones. The Soviet delegation is

headed by Petr Demichev, candidate member of the Politburo of the CPSU Central Committee and first deputy chairman of the USSR Supreme Soviet Presidium. Present at the friendly discussion in the State Council Building were Kurt Hager, Politburo member and secretary of the SED Central Committee, and other figures.

Szuros Attends

LD2006103788 Budapest MTI in English 0900 GMT 20 Jun 88

[Text] Berlin, June 20 (MTI)—A Hungarian delegation, headed by Matyas Szuros, secretary of the HSWP Central Committee, is attending a three-day international consultation on nuclear-free zones in Berlin.

In the Berlin Palace of Republic over 1,000 representatives of 111 countries are exchanging views on the possibilities of establishing nuclear-free zones and the latter's role in strengthening international security and promoting general disarmament.

Syrian Arrives

JN1906140888 Damascus SANA in Arabic 1112 GMT 19 Jun 88

[Excerpt] Berlin, 19 Jun (SANA)—Nasir Qaddur, Syria's minister of state for foreign affairs, arrived in Berlin yesterday evening leading a delegation to participate in the Berlin International Meeting on a Nuclear-Free Zones. The 3-day meeting will begin work tomorrow, Monday. [passage omitted]

Meets GDR Official

JN2106054188 Damascus Domestic Service in Arabic 0415 GMT 21 Jun 88

[Text] Berlin—Nasir Qaddur, minister of state for foreign affairs, last night met with Heinz-Dieter Winter, GDR deputy foreign minister, on the sidelines of the Berlin International Meeting on Nuclear Weapons-Free Zones. Winter praised Syria's important and essential role in the region, expressing high appreciation for the Syrian role at the Arab summit in Algiers, particularly President Hafiz al-Asad's special and distinguished role.

On the sidelines of the conference, GDR Chairman Erich Honecker earlier held a cordial conversation with Shaykh Ahmad Kuftaru, Syria's mufti, who is participating in the conference.

'Arafat Arrives

LD2006075488 East Berlin ADN International Service in German 0602 GMT 20 Jun 88

[Text] Berlin, 20 Jun (ADN)—A delegation from the Palestine Liberation Organization led by Yasir 'Arafat, chairman of the PLO Executive Committee, arrived early today in the GDR capital to take part in the International Meeting on Nuclear Weapons-Free Zones. The delegation was warmly welcomed by Egon Krenz, member of the Politburo and secretary of the SED Central Committee.

Honecker Addresses Meeting

LD2006102288 East Berlin ADN International Service in German 0822 GMT 20 Jun 88

["Speech by Erich Honecker, chairman of the GDR Council of State and general secretary of the SED Central Committee, at the opening of the International Meeting for Nuclear Weapons-Free Zones, on 20 June 1988 in Berlin"—ADN headline]

[Text] Berlin, 20 Jun (ADN)—Most esteemed ladies and gentlemen, dear friends and comrades: It is a pleasure to welcome you warmly to this International Meeting for Nuclear Weapons-Free Zones. What has brought us together is the awareness of our responsibility for peace, our concern for humanity's well-being, and the readiness for dialogue and cooperation over and above that which divides us. I therefore combine my greetings with my sincere gratitude that you have responded to my invitation to the GDR, to Berlin. Your representative participation demonstrates that efforts for a secure world without nuclear weapons and for lasting peace embrace all continents. Without doubt, this meeting will serve as an important impetus and I wish it a successful course.

A few days ago, at the Moscow summit, General Secretary Mikhail Gorbachev and President Ronald Reagan gave a positive review of the benefit of the continuation of the disarmament process, and fresh progress on the way toward improving the international situation. This strengthens the confidence of everyone who is convinced not only of the necessity but also of the possibility of preventing humanity's demise in a nuclear inferno and achieving peaceful coexistence, and getting on well together.

As we know, the problems which still remain to be solved are in no way small and the resistance from a certain source against such a constructive solution cannot be overlooked. But in the end the common will to liberate the world from nuclear and chemical weapons of mass destruction, to drastically reduce conventional arms and forces, reason, realism, and relevant actions, will be stronger.

By the exchange of retification documents the representatives of the USSR and the United States have brought into force the treaty on the removal of their intermediate- and shorter-range missiles. On behalf of the GDR, which has made great efforts on this treaty, I would like to express depp contentment and satisfaction. For the first time, the start of nuclear disarmament has been accomplished, and the vicious circle of pre- and counterarmament has been broken after decades of confrontation and distrust. The Moscow agreements, which are to

lead to an agreement on halving strategic offensive weapons while adhering to the ABM Treaty in the forseeable future, are very important for further progress along this good path.

Dear participants, man's imagination, which is always ahead of the times, is already trying to picture what the world will look like in the coming, third millenium. If we start from predictions of possible developments in society and in science and technology, new and great prospects will open up for humanity. These can only be fulfilled in peace and only if we succeed in banishing the danger of nuclear annihilation.

The longing for peace is as old as humanity itself. From "goodwill on earth and goodwill to all men" via Immanuel Kant's political and philisophical draft of an eternal peace, it has moved humanity at all times. In the middle of the last century, Karl Marx, the founder of scientific socialism, called for rendering valid the simple laws of morality and justice, which are supposed to regulate relations between private individuals, as the highest laws for the intercourse of nations.

Today 5 billion people live on our planet. The fruits of the earth, used in the interest of nations, can overcome hunger and poverty as well as underdevelopment and inequality. However, the stockpiles of nuclear weapons would be sufficient to annihilate humanity many times over. It is therefore a matter of decisions which not only concern the present generation but all future ones too.

Will reason or the bomb rule the world? Will the achievements of the creative human spirit determine the life of nations and of nature, or be misused for their annihilation? In view of the realities at the end of our century, the policy of peaceful coexistence between states of differing social orders is proving more necessary than ever. Equal security and equality for all states, regardless of their size, social systems, geographical position or alliance membership are essential.

For this reason, in the interests of peace and prosperity, it is now time to overcome existing barriers and to banish rivalry, exclusivity, and prejudice from international relations. In times of radical change, such as those we are now living through, the demand goes out to everyone to set out convincing prospects for the perfection of the world, and to find answers to the many new questions with which mankind is confronted. The realization of these efforts is made possible by ending the arms race and by a continued disarmament process in the nuclear, chemical, and conventional areas.

A world without nuclear weapons is a bold, but by no means illusory vision, even though the path may be difficult. To tread the path to that destination requires persistence, courage, and patience on all sides. It requires goodwill and trust in the power and reason of the peoples, whose first human right is peace. We regard nuclear weapons-free zones and peace zones as an important stage toward strengthening peace and security. They can lead directly to the reduction and elimination of weapons of mass destruction.

In this, the concept of regional freedom from nuclear weapons is not really altogether new. Numerous countries have already taken this step, and thus we can base ourselves on rich experiences and noteworthy results. Let the Treaty of Tlaltelolco be mentioned here, along with the South Pacific nuclear-free zone. Let there be reference to plans by the states in Southeast Asia, in northern Europe, in the Balkans, on the Iberian Peninsula, in the Mediterranean region, in Africa, in the Near East, in the South Atlantic region, and on the Korean peninsula. In a word, viable ways are being sought on all continents.

The weapons of death should disappear from the globe, and space should remain free of them. This fundamental idea has inspired us to the initiative of convening the Berlin International Meeting for Nuclear Weapons-Free Zones. May it be incorporated in the line of international policy which is characterized by reason and realism. Differing political and ideological viewpoints should not be allowed to prevent us from safeguarding joint interests and practicing a culture of objective political dialogue, which includes dealing with opposites in a way which serves collaboration and harms no one

An open and free exchange of views between leading representatives of states, governments, parliaments, communist, social democratic, national revolutionary and bourgeois parties, of representatives of the most varied organizations and movements, seems to us to be best suited toward evaluating differing experiences, new ideas, and proposals in a constructive discussion of the 'pros' and 'cons'. Thus we hope for an atmosphere of creative, well-founded dialogue, in which the viewpoints can be explained and greater understanding and new realizations promoted on the essential issues.

Esteemed ladies and gentlemen of the audience, as Europeans, we regard it as important that this International Meeting for Nuclear Weapons-Free Zones is taking place in Berlin, the capital of the German Democratic Republic. It is from here, from German soil, that the two most catastrophic wars in history emanated in the past. Here is where the sensitive borderline between the two strongest military coalitions of our time runs. A terrible potential of weapons of mass destruction is stockpiled in the center of Europe. Europe is the nuclear powder keg of our planet. This is why it has an urgent need for freedom from nuclear weapons.

Socialist and capitalist states are living on this continent in a joint house. Unfortunately, there is still a lot which disturbs peace and security. By means of the European treaties, a foundation was laid on which further construction may take place. We regard it as a matter of course that there are windows and doors, in this house,

and elevators may also be required on occasion. The Helsinki Final Act is, as it were, the guiding text for the elaboration of a set of house rules, taking into account the interests of all sides.

I regard it as extraordinarily significant that many European politicians, personages from public life, representatives of the most varied political views and ideologies find a common language for the issue of war or peace. In this way, an extensive political dialogue has started up, in which there is a search for the best solutions to the problems of securing peace. The GDR participates actively in this, together with its friends and allies, and makes its proposals. Our aim is to guarantee equal security for all states. The path to this end leads through disarmament, starting with the most dangerous offensive weapons, and it should lead to structural incapability to attack, on both sides. In brief, we want to create peace with fewer weapons, from the Atlantic to the Urals.

One cannot overlook tactical nuclear weapons which will remain even after the double zero option, which number into the thousands. Our goal is and remains reduction of their numbers and finally their complete removal. The GDR has repeatedly submitted proposals to European states to promote nuclear disarmament. In this context I recall my proposals of last December to the FRG Federal Chancellor Helmut Kohl.

Experience has shown since the end of the seventies that the deployment of nuclear weapons in central Europe has in no way brought more security. Promoting the retention of a minimum of such weapons as a basic condition for security means, in the end, opening the door wide to a proliferation of these terrible weapons, not to speak of the nuclear battlefield weapons which could spark a global nuclear blaze. Thus, not much time remains to act for a nuclear weapons-free world. We must use every initiative which takes us further in this direction.

A nuclear weapons-free corridor on the dividing line between the alliances can, under existing circumstances, become a decisive link to farther-reaching steps toward nuclear disarmament, and to its extension to tactical nuclear weapons, on which there have so far been no negotiations, as well as to reducing conventional forces and arms. In the event of the nuclear powers retaining nuclear weapons, a nuclear weapons-free corridor would also serve to stem the tide of the nuclear arms race.

Liberating central Europe from nuclear weapons is in the well-understood security interests of all Europeans. Military confrontation on our continent would be tangibly reduced by the corridor. The process of confidence-building would be deepened. There would be more room for further disarmament. The period of forewarning would be increased. The danger of surprise attacks would decrease. It is worthwhile, therefore, for all states, large and small, to consider seriously these possibilities and prospects. We are of the opinion that all nations and states would gain in security.

It is self-evident that, in any case, nuclear weapons-free zones require the constructive assistance of the nuclear powers concerned. It is a great encouragement to our efforts that on 10 April 1987 Mikhail Gorbachev officially declared the readiness of the USSR to withdraw its nuclear weapons from a corridor which was formed, and to respect and guarantee its nuclear weapons-free status.

In order to improve conditions for steps of this kind in central Europe, and in particular to stabilize the situation further on the dividing line between the alliances, the GDR would welcome the setting up of mechanisms for the peaceful resolution of crises and the prevention of military incidents in central Europe. There could, for example, be a "hotline" between Prague, Berlin, and Bonn, a permanent joint body with the goal of exchanging data on relevant military activities in the region, if you like, a center equipped with the relevant technology for permanent confidence-building. The development of these thoughts could be included in future negotiations on confidence- and security-building measures.

The GDR will continue to contribute to strengthening peace and reducing the greatest threat to it, nuclear weapons, and to finally eleiminating them. We are working for this here in Europe. However, one cannot judge things in the world solely according to European criteria. Freedom from nuclear weapons is a global problem, as we all know. This international meeting bears witness to this.

International security can no longer be achieved and maintained against one another, but only together. Communists and social democrats, representatives of the bourgeoisie, believers of all religions, artists and scientists, politicians and statesmen have come to this conclusion. We must act in accordance with it.

Let us together use the historical opportunity to advance disarmament and cooperation. Let us together do everything to remove forever nuclear weapons, this scourge of humanity, from the world. May the International Meeting for Nuclear Weapons-Free Zones perform a valuable service to the great cause of peace, reason, and realism.

Thank you for your attention.

USSR Official Speaks

LD2006164688 East Berlin ADN International Service in German 1302 GMT 20 Jun 88

["Speech by Petr Nilovich Demichev, candidate member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Supreme Soviet Presidium, on 20 June 1988"—ADN headline]

[Text] Berlin, 20 Jun (ADN)—The text of Petr Demichev's speech is as follows:

Dear Comrade Honecker,

Ladies and Gentlemen,

Comrades,

The Soviet leadership has given me the task of sincerely thanking Comrade Erich Honecker and our friends from the GDR for the initiative on the "International Meeting for Nuclear Weapons-Free Zones." Allow me to read the message of greetings from Mikhail Gorbachev, general secretary of the CPSU Central Committee.

"To the participants in the International Meeting for Nuclear Weapons-Free Zones:

"Please accept my best wishes at the start of your meeting. The historic Treaty on the Elimination of Intermediate- and Shorter-Range Missiles has come in to force. We should not reduce speed; we must proceed dynamically along the direction indicated.

"The Soviet Union is fully prepared to give up its status as a nuclear power, together with the other nuclear countries, as soon as possible. However, as long as we still have this status we are prepared to radically restrict its practical manifestations. Included in this is support for nuclear weapons-free zones and giving relevant guarantees to states participating in them.

"The value of nuclear weapons-free zones lies in their being able to contribute to restricting the area of nuclear preparations, to moving apart the nuclear forces of the opposing alliances, and thereby to reducing the risk of a nuclear conflict. Their formation develops international confidence, serves stability in relations between the nuclear powers, and consolidates the regulation of the nonproliferation of nuclear weapons.

"I am convinced that your international meeting will give new impetus to this process.

"M. Gorbachev"

The meeting in Berlin is taking place at a time when the enormous mountain of realities of the nuclear age giving cause for concern has not yet been removed. However, the epoch of nuclear disarmament has already dawned. By this I mean the results of the Soviet-U.S. summit in Moscow and the coming into force of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles. This treaty is the first international agreement in history which envisages the destruction of two classes of nuclear weapons belonging to the USSR and the United States.

A convergence of attitudes on some aspects of reducing strategic offensive weapons, while adhering to the ABM Treaty, on limiting and stopping nuclear weapons testing, and on banning chemical weapons, was achieved in Moscow.

The summit in Moscow was also a step forward toward a new quality in Soviet-U.S. relations, which contributes to the two superpowers changing from focuses of confrontation to partners in the search for a solution to seemingly fateful current conflicts. This meeting doubtless also expanded the possibilities for creating a favorable political climate on a worldwide scale.

Throughout the whole world, hopes are increasing of banishing the danger of a nuclear inferno which hangs over humanity. Many existing public opinions are changing. The realities of the nuclear age, the objective necessity for qualitatively new approaches to solving basic security problems, have caused the cliches of the old political thinking to be shaken to their foundations.

The point is to make all these processes irreversible. First of all, it is important to renounce the policy of strength. The social, political, and cultural multiplicity of the world of today has to be recognized by all. All must recognize the right of each nation to choose its social order freely. Mutually advantageous cooperation on an equal basis must become a firm principle of life for all countries and nations.

Mankind has a long path before it to a world free of violence and nuclear weapons. The creation of nuclear weapon-free zones is a concrete expression of goodwill and reason, of a new approach to solving the most difficult international problems and rejection of the policy of strength. There is great moral force in this, the force of an example of civilized international behavior.

The peoples of the world see the declaration by Mikhail Gorbachev of 15 January 1986, in which a program for the step-by-step removal of nuclear weapons by the year 2000 is proposed, as a true manifesto of new political thinking and new morality. Today we can state with satisfaction that this program, the Soviet Union's idea of creating a comprehensive system of international security, and the other significant initiatives which we together with the socialist fraternal countries have agreed upon and put forward is now being turned into practice in a step-by-step way.

The path to a world without nuclear weapons has gained support at the UN, particularly from the Group of 77, the Nonaligned Movement, and among influential social organizations and movements. All over the world the view is gradually gaining ground that a nuclear war is senseless and irrational, that there can be neither victors nor vanquished, because it would mean the end of human civilization. Moreover, one must be fully aware that even a conventional war would be much the same as a nuclear war nowadays, both because of the growing destructive power of these weapons and because of the ever greater number of nuclear power plants in various regions. The struggle for comprehensive international security, a world without nuclear weapons and the creation of nuclear-free zones are seen by world public opinion as processes which are interlinked, dependent

on each other. It is quite natural that the real successes in nuclear disarmament strengthen the movement for nuclear-free zones. This is proven also by our highly representative meeting. Parliaments are also getting more and more actively involved in this process. In this connection, one could mention the Sofia meeting of parliamentarians from the CSCE states of 31 May to 2 June of this year.

Important steps have already been taken to prevent nuclear weapons being deployed in various areas. The 1967 treaty bans the deployment of nuclear weapons in space, on the moon, and other celestial bodies; and the 1971 treaty contains a ban on the deployment of these weapons on the seabed. The Antarctic treaty of 1959 made an entire geographical area virtually into a demilitarized zone. As mentioned here before, in 1967 the Treaty of Tlaltelolco on the banning of nuclear weapons in Latin America was concluded, and in 1985 the South Pacific Forum endorsed the Rarotonga Treaty on a nuclear-free zone in that region. More and more frequently various places, cities, and areas are declaring themselves nuclear-free zones. Also a number of states' pledge not to produce nuclear weapons, to buy them, or to allow them to be deployed on their territory can only earn the respect of world public opinion.

The Soviet Union genuinely supports the struggle of states and peoples to protect themselves from being hurled into a nuclear inferno by creating nuclear-free zones. For us, this is a fundamental issue. This guiding principle was adopted in the party program for the 27th CPSU Congress.

Our country is the initiator of and signatory to the first three treaties named and is a guarantor of the nuclear-free status in the two treaties named next. We urgently appeal to the states who have not yet signed these important international agreements to sign them now. This appeal is directed equally to those countries who make up the minority in the world community who up to now have not signed the nuclear non-proliferation treaty.

There are many in the world who doubt the efficacy of nuclear-free zones.

As far as the Soviet Union is concerned, it has an active and constructive attitude toward this issue. The USSR has solemnly declared that it will not be the first to use nuclear weapons and that it will never under any circumstances use them against nonnuclear states which do not allow deployment of nuclear weapons on their territory. Our obligations in relation to nuclear-free zones are also framed along these lines. The unification of the efforts of nuclear and nonnuclear countries and political forces on the state and social levels is making nuclear-free zones an important factor in the prevention of a war.

Practical steps for the creation of nuclear-free zones are dependent to a significant degree on the respective attitudes of the members of military alliances whose forces are equipped with nuclear arms. In a memorandum which was placed before the third UN special session on disarmament, the Warsaw Pact states once again came out in favor of "supporting the initiative of the states of the respective regions to create nuclear-free zones."

We have pointed out that at the disarmament conference in April 1986, the NATO countries declared that one must "promote the creation of nuclear-free zones that will strengthen general security and stability, which will serve the final aim of a world totally free of nuclear weapons." The consistent implementation of this attitude, above all by the NATO powers which possess nuclear arms, could help strengthen peace.

In 1986, the nonaligned states, in their Declaration of Harare, stressed that the creation of nuclear weapons-free zones was an important step on the path of disarmament. They supported all individual and regional initiatives and proposals which provide for such zones. Lastly, the opinion of the whole world community was expressed in the concluding document approved unanimously by the first special disarmament session of the United Nations General Assembly, now described as the disarmament charter. In this document, it is said that the formation of nuclear weapons-free zones is supported in order to achieve the final goal—the creation of a world free of nuclear weapons. As is known, in continuation of this general UN guideline, a number of resolutons were adopted which approve concrete initiatives for the creation of nuclear-free zones in various parts of the world.

Immediately there arises, quite legitimately, the question of why most initiatives for the creation of such zones have thus far not gone beyond the stage of projects and wishes. One of the main obstacles is the viewpoint that the creation of nuclear weapons-free zones could result in the weakening of nuclear deterrence and, as a result, not lessen but rather increase the danger of war.

Adherence to the doctrine of "nuclear deterrence" impedes the creation of nuclear weapons-free zones. This is why the view still prevails that nuclear weapons-free zones are merely a sort of "addition" to the Treaty on the Non-Proliferation of Nuclear Weapons, which is not allowed to touch on deterrents.

Of course, nuclear weapons-free zones play an important, and constantly increasing, role in strengthening the regime of the nonproliferation of nuclear weapons. However, their importance is not limited to this.

In our view, the setting up of nuclear weapons-free zones has a positive influence on various aspects of world development. It strengthens trust at regional and international levels and favorably effects the solution of the whole complex of global problems. In the declaration of the Delhi Six on the principles of a world without nuclear weapons and force, which was signed on 27 November 1986 by Mikhail Gorbachev and Rajiv

Gandhi, it is said: "Only disarmament can liberate the mighty additional resources which are necessary for combatting economic backwardness and poverty."

When states declare their countries and their regions to be nuclear-free zones, they are taking an important step to strengthen their national sovereignty and independence. By this means, they signal that their concern is with peace and that they are approaching the acute problems which mankind confronts in an effective and realistic way.

It is sometimes said that in view of the ability to transport nuclear weapons to every point on the globe, nuclear weapons-free zones are unrealistic and cannot guarantee security. This seems plausible, but only as long as some nuclear powers are not ready to give the corresponding guarantees, and as long as the setting up of nuclear weapons-free zones is disassociated from the joint struggle of the peoples for peace and disarmament. The creation of nuclear weapons-free zones should be seen as a trend within the process of the elimination of nuclear weapons. It cannot be overlooked that the setting up of nuclear weapons-free zones is especially important in regions where nuclear weapons are stockpiled. There, the creation of such zones is a form of action against the nuclear threat

In regions where the armies of the military blocs border each other, nuclear weapons-free zones or a nuclear weapons-free corridor would be a very important measure to reduce the growing danger from the opposing troops.

In today's circumstances, a nuclear weapons-free zone means at the same time a real step toward a military doctrine which is not based on force. Nuclear weapons are not something which one can hold "in reserve." They are always ready for combat and can be used at any time.

Europe is a region where the danger of extreme concentrations of arms speaks for itself. I would like to remind you that the setting up of nuclear weapons-free zones in Europe has a long history. In 1956, the USSR proposed that the deployment of "nuclear units and any sort of nuclear or hydrogen weapon" be banned in central Europe. In 1963, Urho Kekkonen, President of Finland, put forward his idea of declaring northern Europe a nuclear weapons-free zone.

At the Stockholm Conference on Confidence- and Security- Building Measures and Disarmament in Europe, the USSR suggested setting up nuclear weapons-free zones on the European continent.

The USSR strongly supports the proposal by the GDR and the CSSR for the setting-up of a nuclear- and chemical weapons-free corridor in central Europe. We have stated our readiness to withdraw all Soviet nuclear weaons from this corridor and both to guarantee and to respect the nuclear weapons-free status.

Today the proposals for the creation of nuclear weapons-free zones are gaining particular topicality as another important way to free Europe of nuclear weapons.

In the opinion of the USSR, all the necessary conditions exist for putting the proposals into practice—declaring northern Europe a nuclear weapons-free zone, giving the Baltic the status of a nuclear-free sea, and taking appropriate measures in the areas bordering on the future weapons-free zone, including on Soviet territory.

The Balkan countries, we think, would feel more secure and calmer if the proposals by Bulgaria and Romania to turn that region into a zone in which there are neither nuclear nor chemical weapons were fulfilled.

Comrade Gorbachev's saying that Europe is our common house is increasingly being acknowledged by Europeans. We can clearly see the positive changes developing which offer possibilities to put into practice far-reaching initiatives for strengthening and developing comprehensive political, economic, and cultural cooperation among the countries of Europe.

Of course, our plans are not solely limited to Europe. As you know, the Soviet Union is making persistent efforts for reliable security in Asia and the Pacific as well as on the Indian subcontinent, and is putting forward various constructive proposals for stopping the hostilities in the Near and Middle East, the Persian Gulf, in southern Africa, and in Central America. The agreements on Afghanistan are a good example of how tensions in other areas can be removed. The USSR supports all positive initiatives for consolidating peace in every region. The demands of the public and countries, which are becoming ever more pressing, to declare Africa, Southeast Asia, the Korean Peninsula, and the Middle East nuclear weapons-free zones have our full understanding.

We are unerringly sticking to the basic principle of the new political thinking that neither a nuclear war nor nuclear weapons can be a means of achieving any political goal. The only way to survive and to solve the global problems confronting humanity lies in understanding that security is a priority and urgent task for all mankind, for finding a balance for the legitimate interests of the nations on the basis of banishing war from human experience and setting up a world without nuclear weapons or violence.

The UN General Assembly third special session on disarmament currently taking place in New York—at which the Soviet Union has put forward a new program for joint actions and a series of precise proposals—is called upon to give strong impetus to general security.

We think it is time that nonmilitary guarantees for general security prevail, that the states accept a defensive strategy and recognize the principle of sufficient defense capability. We propose to start reducing conventional weapons with the removal of existing inequalities and

asymmetries on the basis of exchanging information and verifying it, and to set the goal of removing foreign military presence and bases from abroad by the year 2000. We are prepared to work for the creation of an international authority under the auspices of the UN for the surveillance and verification of disarmament. And, of course, one of the most important tasks consists of preventing the deployment of weapons in space and the pollution of space. We are for real progress in regard to banning nuclear tests.

The CPSU 19th All-Union Conference will shortly take place, at which key issues of the current stage of restructuring in our country will be discussed.

There is an organic and immediate connection between restructuring in our country and the foreign policy directed toward democratizing and deeply humanizing international relations. In our critical reevaluation of the postwar processes, when we analyze the missed opportunities to stabilize the international situation and prevent the arms race, we would like to correctly assess the various ways of consolidating international peace and security and to unite the efforts of all those who are looking for ways out of the dangerous dead ends in international relations.

We believe in mankind's reason. Only by the united strength of all states and nations, of the most varied social forces, can the planet's peaceful future be secured. That is an imperative of the times, of today's political wisdom which rejects fanaticism and egotism for the sake of mankind's highest interests. Life itself and all world civilization confirm this point of view.

I can say with certainty that with our united forces we will avert the danger of a nuclear inferno. I thank you for your attention.

Assembly Commissions Prepare for Session

AU1706134588 Tirana ATA in English 0930 GMT 17 Jun 88

[Text] Tirana, June 17 (ATA)—The Permanent Commission of the Foreign Affairs of the People's Assembly headed by its chairman Comrade Foto Cami, examined and gave opinions for the materials and the draft-laws which will be presented to the People's Assembly. Attending the meeting was also the chairman of the Presidency of the People's Assembly, Petro Dode.

The commission also listened to the report of the chairman of the Committee of Science and Technique, Ajet Ylli, in connection with the development of the technical-scientific relations with the foreign world.

The reports and contributions of the deputies evaluated the hitherto work for the technical-scientific cooperation with the other countries and international organizations as well as the tasks for their further development were defined.

Likewise the Juridical Commission headed by its chairwoman, Dashurie Gjunkushi, convened. Attending the meeting was also the vice-president of the Presidium of the People's Assembly, Comrade Xhafer Spahiu.

The deputies discussed on the materials presented for the 3rd session of the People's Assembly. They stopped especially in the examination and discussion of the railway draft-code of the PSRA and other draft-laws and acts.

Iranian Ambassador Presents Credentials to Alia

AU2006184888 Tirana Domestic Service in Albanian 1800 GMT 20 Jun 88

[Text] Comrade Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, received today Hamid Abutaledi, ambassador extraordinary and plenipotentiary of the Islamic Republic of Iran to the People's Socialist Republic of Albania, who presented his letters of credential.

Reis Malile, minister of foreign affairs; Sihat Tozaj, secretary to the Presidium of the People's Assembly; Zeqir Agolli, director of department at the Ministry of Foreign Affairs; and Kostaq Cifligu, head of the Protocol Branch of the Ministry of Foreign Affairs, were present at the ceremony.

The ambassador was accompanied by diplomats from the Embassy of the Islamic Republic of Iran.

Economic Progress Report for 12-18 Jun 88

AU1806184088 [Editorial Report] Tirana Domestic Service in Albanian in its transmissions between 12-18 June carries the following economic performance reports (time and date of transmission in parentheses):

Fier District: The enterprises of the light and food industry sector have exceeded their production target up to 10 June by 13 million leks. (1800 GMT 17 Jun)

Korce District: The export plan for the period up to 10 June has been overfulfilled by 553,000 leks. (1800 GMT 13 Jun)

Kruje District: The Chemical-Metallurgical Combine in Lac has overfulfilled its plan to 15 June by 7 million leks. (1800 GMT 18 Jun)

Lezhe District: The overall industrial production plan up to 10 June has been overfulfilled by 2.2 million leks. (1800 GMT 13 Jun)

Tirana District: The "Ali Kelmendi" Food Processing Combine has overfulfilled its export plan up to 10 June by 75 percent. (1800 GMT 14 Jun)

Leaders' Public Appearances 12-18 Jun 88

AU1806183888 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 12-18 June reports the following public appearances of Albanian leaders (time and date of broadcast in parentheses):

Adil Carcani, AWP Central Committee Politburo member and chairman the Council of Ministers of the People's Socialist Republic of Albania, received on 13 June the envoy of the Republic of Turkey on the occasion of the latter's departure from Albania. (1800 GMT 13 Jun) (filed as AU1306183888)

Manush Myftiu, AWP Central Committee Politburo member and deputy chairman of the Council of Ministers; Kico Mustaqi, AWP Central Committee Politburo candidate member and chief of the General Staff; and Pirro Kondi, AWP Central Committee Politburo candidate member and Tirana District AWP Committee first secretary, attended on 12 June the opening of the National Youth Spartakiade Championships in Tirana. (1800 GMT 12 Jun)

Foto Cami, AWP Central Committee Politburo member and secretary chaired on 16 June a meeting of the Permanent Commission for Foreign Affairs of the People's Assembly. (1800 GMT 16 Jun) (filed as AU1706134588)

Rita Marko, AWP Central Committee Politburo member and deputy chairman of the People's Assembly, attended on 15 June a meeting of the Permanent Commission for Transportation of the People's Assembly. (1800 GMT 15 Jun)

Zhivkov Receives USSR's Marshal Kulikov 20 Jun

AU2006172388 Sofia BTA in English
1712 GMT 20 Jun 88

[Text] Sofia, June 20 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, today received Marshal of the Soviet Union Viktor Kulikov, commander in chief of the Joint Armed Forces of the Warsaw Treaty member states.

In a cordial and comradely atmosphere, the sides exchanged views on matters of common concern.

The meeting was attended by Army General Dobri Dzhurov, Politburo member of the CC of the BCP and minister of national defense, and by Army General Anatoliy Gribkov, chief of staff of the Joint Armed Forces of the Warsaw Treaty member states.

Press Conference on Balkan Meeting

AU2006172188 Sofia BTA in English
1551 GMT 20 Jun 88

["Bulgaria Seeks Balkanwide Constructive Dialogue"—BTA headline]

[Text] Sofia, June 20 (BTA)—Speaking at a press conference in connection with the meeting of high officials of the Balkan countries' foreign ministries which will open here tomorrow, Ambassador Lyubomir Shopov, chief of department at the Ministry of Foreign Affairs, said that Bulgaria will support all constructive initiatives in the political, the economic and the cultural fields which are aimed to promote multilateral inter-Balkan cooperation.

The tasks of the three-day forum in the Bulgarian capital have been formulated in the joint communique on the meeting of the ministers for foreign affairs of the six Balkan countries held in Belgrade four months ago. The high-ranking diplomats will study the 80 specific proposals for mutilateral cooperation advanced in Belgrade and will work out the appropriate recommendations.

In addition, the Balkan countries' representatives will brief one another on the progress of preparations for the four specialized regional meetings due to be held before the end of the year. Under the common understanding reached in Belgrade, these include a meeting of ministers of economic affairs or foreign trade in Turkey, a meeting of the ministers of transport in Yugoslavia, a meeting in Romania to examine the possibilities of cooperation in industrial production, including the transfer of technology, and a meeting of governmental experts on environmental protection in Bulgaria.

Ambassador Shopov said that the Balkan ecological meeting will be held in Sofia between November 24 and 26. Bulgaria has drawn up a draft Balkan ecological protection treaty, which has been sent to all participating countries.

Turning the Balkans into a nuclear- and chemical-weapon-free zone, which is one of the foremost priorities in Bulgaria's foreign policy, will be high on the agenda of the discussions starting tomorrow. Ambassador Shopov said there are indications that all participating countries have been positively prepared for the meeting. "We are at the beginning of an important process," he said, "and its successful furtherance requires sustained efforts, specific actions and goodwill from all parties concerned."

Leaders Attend Domestic Trade Meeting

AU2006202788 Sofia Domestic Service in Bulgarian
1900 GMT 20 Jun 88

[Text] A conference was held in Sofia which discussed practical measures for the implementation of restructuring in domestic trade and public services.

The meeting was attended by Comrades Grigor Stoichkov and Emil Khristov, by chairmen of associations and economic trusts, secretaries of oblast and municipal BCP committees, and chairmen of municipal people's councils, as well as by representatives of the Fatherland Front and the trade unions.

Stoyan Ovcharov, minister of the economy and planning, read a report in which he dwelled on basic factors determining the essence of restructuring in the spheres of foreign trade and services.

USSR's Antonov Attends News Conference

AU1906190688 Prague RUDE PRAVO in Czech 16 Jun 88 pp 1, 2

[CTK report: "Suggestions for Further Expanding Economic Relations"]

[Text] Prague—CSSR Premier Lubomir Strougal received Aleksey Antonov, deputy chairman of the USSR Council of Ministers, at Hrzane Palace in Prague on Wednesday [15 June]. During a working talk they assessed a substantial range of issues connected with the deliberations of the approaching 44th CEMA session and the planned meeting of the CSSR premier with the chairman of the USSR Council of Ministers, which will also be held in Prague at the beginning of July.

Lubomir Strougal underscored the importance of the aforementioned sessions in connection with the restructuring of the integration mechanism of our community, as well as their importance for the concretization of the program of the division of labor and for the assertion of truly effective direct relations and joint ventures. In this connection they criticized the so far fairly meager results in the implementation of the Comprehensive Program for Scientific-Technical Progress of the CEMA Member States Through the Year 2000. He noted at the same time that our economic reform constitutes the further expansion of economic, in particular industrial, cooperation with the Soviet Union, and the speedy resolution of all problems caused by the restructuring of the Czechoslovak industry and the structures of our imports and exports in the future. He also mentioned the most topical problems connected with the restructuring of central management and the transition of a part of the Czechoslovak production base to self-financing as of 1 July this year.

Aleksey Antonov noted some further problems pertaining to cooperation among the CEMA countries. He presented a number of suggestions for enriching and expanding CSSR-USSR economic relations. He put particular stress on cooperation in engineering, electronics, and chemical industry. He criticized the delays in the coordination of plans for the coming 5-year plan, which are connected with the delays in drafting a concept of cooperation through 2005.

The reception was attended by CSSR First Deputy Premier Rudolf Rohlicek and USSR Ambassador to the CSSR Viktor Lomakin.

The 28th session of the Intergovernmental Czechoslovak-Soviet Commission for Economic and Scientific-Technical Cooperation ended in Prague the same day. At the end of the talks, the heads of the two delegations, Rudolf Rohlicek and Aleksey Antonov, signed a document summarizing the results of the talks.

The document states that the realization of the conclusions of the deliberations of the highest representatives and premiers of the two states successfully continues. Intensive work is being done on the preparation of a concept for economic and scientific-technical cooperation between the CSSR and the USSR for 15-20 years. The realization of concrete suggestions for expanding development, production cooperation and specialization, and deepening new forms of development, such as the establishment of direct relations and joint ventures in selected industrial branches were also discussed. Roughly 350 pairs of enterprises have established direct relations thus far.

The two delegations paid attention to measures aimed at enhancing the technological standard and quality of mutually delivered machinery and equipment, and to the implementation of the Comprehensive Program for Scientific-Technical Progress of the CEMA Member States Through the Year 2000 on bilateral basis.

Ensuring work on the coordination of the CSSR and the USSR national economic plans for the 1991-95 period is a demanding task because, in accordance with the conclusions of the 43d (extraordinary) CEMA session, the coordination of the plans will be carried out on 3 mutually interconnected levels—on the government, sectoral, and enterprise levels—within the framework of new forms of cooperation. The session of the commission also assessed the realization of intergovernmental agreements on cooperation in the construction of integration projects in the USSR. Our participation in these projects will ensure the CSSR iron ore and natural gas for a long time. Other specific issues, which concern the conditions for our participation in the construction of these important projects, were also assessed.

At a press conference Rudolf Rohlicek and Aleksey Antonov answered questions from Czechoslovak and Soviet journalists. They said that the main subject of the talks was the further acceleration of scientific-technical development and the stepping up of the pace of the two countries' social and economic development. The majority of tasks is being fulfilled, and agreements and concrete measures were adopted at the session to resolve the existing shortcomings.

Individual production organizations and research institutes will take part in drafting 5-year plans, as well as in coordinating them. Comrade A. Antonov stressed that enterprises must cooperate, in particular, in the production of machinery. Neither of the two countries can achieve top world standards without effective cooperation in that sphere. The new norms, the foundation of which will be that the national norm, which is closer to top world parameters, should lead to a better quality production, too.

Comrade R. Rohlicek, among other things, stressed Czechoslovak participation in the integration projects in the USSR. However, he also pointed out some shortcomings on the Czechoslovak side, which make construction

more expensive. Some of our enterprises do not behave like managers, and exploit their participation in construction to equip themselves with machinery and technology, which are not always used efficiently and effectively.

The Soviet delegation ended its stay in the CSSR and left for home by air on Wednesday [15 June].

The guests were seen off at Ruzyne Airport by Rudolf Rohlicek and Viktor Lomakin.

Ukrainian Delegation Arrives 20 Jun

LD2006123388 Bratislava Domestic Service in Slovak 1030 GMT 20 Jun 88

[Text] A delegation of the Ukrainian SSR Supreme Soviet arrived for an official visit to Slovakia today at the invitation of Viliam Salgovic, chairman of the Slovak National Council. The delegation is led by Valentina Shevchenko, its chairman and member of the Politburo of the Ukrainian Communist Party Central Committee.

Federal Assembly Holds 10th Session

Opens 14 Jun

AU2006074888 Prague RUDE PRAVO in Czech 15 Jun 88 pp 1,2

[Report by Marie Koenigova and Daniela Mannova: "CSSR Federal Assembly Discusses Several Significant Legal Norms on Economic Restructuring; Law on State Enterprises Approved; Stipulations on Socialist Self-Management of Working Collectives and on the Eligibility of Directors—A New Element; Further Possibilities of Asserting Independence, Responsibility, and Socialist Entrepreneurship Established by Law; Deputies Also Approved the Federation's Final State Budget for Last Year; Deputies' Questions Answered by Government Members; Deliberations Attended by Comrades Milos Jakes, Gustav Husak, and Lubomir Strougal"]

[Excerpts] Prague—The CSSR Federal Assembly Chambers passed the Law on State Enterprises at their 10th session on Tuesday [14 June], thus ending a period of intensive collective work on this significant document which has lasted more than 1 year. A public discussion organized last year yielded (as is known) up to 80,000 suggestions and comments on the original document, both from collectives and from individuals. They provided valuable incentives for amending the document and for restructuring our entire economic mechanism. The law itself is one of the pillars of economic reform—of the restructuring of our economic mechanism.

On the same day the deputies also passed the final state budget of the Czechoslovak federation for the year 1987. Alois Indra, Federal Assembly chairman, welcomed at the session Comrades Milos Jakes, CPCZ Central Committee general secretary; Gustav Husak, CSSR President; and Lubomir Strougal, federal premier. [passage omitted]

Deputy Miroslav Zavadil spoke of the contribution made by trade union organizations to economic transformations. One should not succumb to the illusion that the adoption of the Law on State Enterprises will resolve all problems of our national economy, he said. Here, too, the people will be the decisive factor. The economic reform demands that each of us substantially improve his work; we cannot rely only on economic stimuli and factors—in fact, the significance of the working people's initiative and of socialist competition will be steadily growing. The managements of plants and enterprises will have to create the necessary scope and conditions for this.

He recalled that socialist entrepreneurship (so often referred to in connection with the law under discussion) has not yet become a basic component of the work of our executive staff. We still have to learn this. It should be remembered that we must not confuse this entrepreneurship with speculation, or with the enforcement of local interests to the detriment of the interests of the society as a whole.

He concluded his statement by speaking of how to assert the principles of socialist self-management in enterprises. This significant form of management involves the actual participation of our working people in management. The trade unions will organize the exchange of experience acquired in the activities of the working people's self-management which are already in operation. [passage omitted]

Alois Hula, joint spokesman of the committees of the Chamber of the People, spoke in support of measures adopted by the government last year in order to limit certain budgetary expenditures. However, he said, the deputies believe that in resolving the problems of balancing the budget, the center of gravity should primarily lie in the creation of increased financial resources through greater efficiency. He pointed out that the unfavorable state of inventories is due to the fact that current value and financial instruments show no impact on the approaches by enterprises. The measures so far adopted by the government have not been effective enough.

Alois Hula also spoke of the deteriorating situation on the domestic market. If we have to import certain goods (in keeping with the latest federal government measures) because our producers are not accomplishing their tasks, this will rob our entire economy of foreign currency means (which could have been used in a more appropriate manner). It is obvious that we cannot continue solving the domestic market situation by importing over and above the plan. [passage omitted]

The CSSR Federal Assembly deliberations were attended by Comrades Ladislav Adamec; Peter Colotka; Jan Fojtik; Karel Hoffmann; Ignac Janak; Josef Kempny; Jozef Lenart; Josef Haman; Vladimir Herman; Miloslav Hruskovic; Frantisek Pitra; Jaroslav Hajn; Mikulas Beno; Frantisek Hanus; Zdenek Horeni; Jindrich Polednik; and Miroslav Stepan.

The session of the CSSR Federal Assembly will continue on Wednesday [15 June].

Officials Answer Questions

AU1906164188 Prague RUDE PRAVO in Czech 15 Jun 88 p 2

["(NIG, IL)"-signed report: "Replies of Government Members to Questions Raised by Deputies"]

[Excerpts] During the first day of the 10th CSSR Federal Assembly session, the deputies addressed a number of questions to the members of the federal government. We have excerpted some of them:

(Question by Alois Hula) How will one provide for a balanced state budget in the remaining years of the Eighth 5-Year Plan?

(Answer by Jaromir Zak, CSSR minister of finance) [passage omitted] We will primarily strive to provide the means for measures in the social sphere. Undoubtedly the tasks which have been set here will be provided for over a long period of time. In view of the less dynamic growth of our financial resources, we must count on slightly slowing down our expenditures for the budgetary sphere, and obviously also for certain social needs. It is not a question of reducing the expenditures—they will simply increase at a slightly slower rate than was originally planned.

(Question by Jozef Csemi) What is the the state of Czechoslovakia's indebtedness in freely convertible currencies?

(Answer by Jaromir Zak) Like other states with a developed industry and extensive links with the international division of labor, Czechoslovakia is actively working with foreign credits—both granted and taken credits. In the field of international credit relations, we are regarded as a serious partner; this attitude toward us reflects the rational policy of our state in this sphere, and also the consistent fulfillment of our foreign commitments. Proofs of this are the conditions offered us for foreign credits which are granted to us in case of need: They are the same as for countries with the highest potential ability to repay credits.

The states' indebtedness and their ability to repay their debts are usually appraised according to the financial situation of their banks, which are the decisive places in all credit operations. Here are some facts: By 1 January 1988, the gross indebtedness of Czechoslovak banks (i.e. ratio of foreign debts in freely convertible currencies) amounted to $3.7 billion. The net indebtedness of Czechoslovak banks (i.e. gross indebtedness minus the assets of our banks) amounted to $1.7 billion on the same date.

Understandably, the use of foreign credits is governed by certain limitations. They depend on the foreign-political situation and on the export efficiency of a state's economy—in other words, on a state's ability to repay debts. It would be a serious mistake to draw on foreign resources in order to redeem shortcomings in a state's economy, for instance by maintaining ineffective productions or operations. This is not done in our country.

In summing up we can say that, on the whole, our overall foreign currency status is good (despite the occasional problems with the solvency of some of our partners; but all countries with a developed industry have such problems).

(Question by Alois Hula) How are the tasks set by the 17th congress and the Eighth 5-Year Plan for the ecological sphere being accomplished, and what means are being used? And what is the forecast in this area up to the end of the 5-year period?

(Answer by CSSR Deputy Premier Jaromir Obzina) We have set aside a total of Kcs17.6 billion for ecological investments in the Eighth 5-Year Plan. In view of the state of preparations for investment projects and blueprints, it was not possible to distribute this amount equally among the five main areas of environmental protection and creation—i.e. soil, water, air, and forest protection and zero-waste technology. Because of the state of these preparations, it was decided that more than 45 percent of the amount set aside would be used for solving the problems of water protection, and above all for investing in sewage disposal plants.

At present we cannot be satisfied with capital construction in the sphere of ecology-related projects. One can even say that the situation there is alarming: Of the planned 144 projects, 31 have not even been started in the first 2 years of the 5-year period. In 1988 we planned to start 61 projects; in reality we can count on starting only 45 (at most), which means that this year work will not start on 16 projects. In terms of finances, less than 50 percent of the planned investment resources have been exhausted in the first half of the 5-year period.

What has caused this, what measures are we preparing to adopt? The main causes lie in the standards of preparations (both in terms of designs and of investment projects), and also in the lack of suppliers of the building and technological equipment. Even now the state of preparations in certain branches—particularly in the engineering branch, but also in our research base (desulphurizing equipment)—is not such as to enable us to guarantee the fulfillment of all requirements.

And the measures which have been adopted? [passage omitted] We have prepared a desulphurizing program for fulfilling that part of our international commitment which concerns cutting down air pollution due to sulphur dioxide by 30 percent by 1993-95. [passage omitted]

1987 Final Account Presented

AU2006140988 Prague RUDE PRAVO in Czech 15 Jun 88 p 3

["From the Expose" on the 1987 state final account, presented by Jaromir Zak, CSSR minister of finance, at a joint meeting of both chambers of the CSSR Federal Assembly in Prague on 14 June]

[Text] Minister J. Zak said that, compared with the period of the Seventh 5-Year Plan and the year 1986, the results achieved last year in meeting the planned targets of national economic development mean another step forward. Set production volumes in the crucial branches of the national economy—industry, building industry, and agriculture—were fulfilled. The living standards of the population increased and the growth of private and public consumption was ensured to the planned extent.

Despite these positive aspects, one cannot fail to see the contradictions of last year's economic development, dwelling on the fact that, while volume indicators were met, no decisive turn was made—and this is a matter of particularly grave concern—towards the intensification and efficiency growth of the economy. This was evident in the failure to meet the planned growth rate of national income, which rose only 2.2 percent, instead of 3 percent as planned. This represents a shortfall of Kcs5 billion in generated national income.

The insufficient fulfillment of tasks in intensification and efficiency growth is reflected most strongly in the results achieved in the generation of profit and in the reduction of cost-intensiveness. Enterprises generated an aggregate profit of Kcs151.6 billion last year, falling Kcs2 billion short of the plan. This shortfall was due to the higher-than-planned overall cost-intensiveness, particularly to the unfavorable development of material costs.

What worries us about the economic results of 1987 is not only the nonfulfillment of the plan, but, above all, the slowdown in the rate of efficiency growth, a trend that has found its expression also in the dynamism of profits. Whereas in the course of the preceding 5-year plan profits grew at an average annual rate of almost 10 percent, in 1986 they increased 7.8 percent, and in 1987 only 4.8 percent.

Jaromir Zak went on to say that we spent almost Kcs165 billion on investments last year, 3.8 percent more than in 1986. However, the preponderant part of investment funds continued to be appropriated for the expansion of the production base, while only 32 percent of investment resources went on modernization and retooling projects, including renovation.

In defiance of a number of measures that have been taken, the requisite improvement in the sphere of inventories did not come about. At the end of 1987 economic organizations had inventories valued at a total of Kcs565.2 billion, 2.6 percent more than the year before. Although the planned end-of-year state of inventories was essentially abided by, there were formidable structural deviations. The planned state of inventories in industry and the building trade was exceeded by Kcs13.2 billion. Inventories in domestic trade, on the other hand, were Kcs6.3 billion lower than planned, in agriculture Kcs4 billion lower, and in foreign trade Kcs2.9 billion lower.

No pronounced turnabout was achieved in the field of science and technology either, on the development of which a total of Kcs21.5 billion was spent last year, 8.4 percent more than in 1986. Shortcomings persist, in particular, in the application of the results of scientific-technical development in the basic links of production, where the crucial part of funds invested in this field is concentrated. Inadequate use is made of the opportunities provided by international cooperation, particularly of the global stock of scientific-technical advances. Product innovation is progressing at an insufficient pace; the technical-economic specifications of products, frequently even of new products, do not conform with current requirements of the world market.

Jaromir Zak drew attention to the need to devote special attention particularly to the implementation of measures adopted by the federal government in the sphere of capital construction. They involve, above all, a Kcs45 billion cut in the volume of investment projects to be newly started in the Eight 5-Year Plan and last week's government decision to carry out efficiency checks at designated projects under construction as well as at all newly started projects listed in the Eighth 5-Year Plan. Of no lesser importance is the implementation and consistent monitoring of measures adopted by the government with the aim of cutting inventories.

The problems and deviations from planned development in the national economy also found their expression in the state budget. As a result of the nonfulfillment of planned tasks in efficiency growth, the management of the budget took place throughout the year in the conditions of a permanent strain between budgetary revenues and expenditures.

One cannot disregard the fact that we fell short of the efficiency targets even under the revised plan for 1987, the tasks of which were rendered more realistic in the light of the results attained in 1986.

The nonfulfillment of qualitative targets, notably costs and profits, in the sectors administered by the governments of the two republics, along with further deviations from the planned structure of budgetary revenues and expenditures, found its expression in the differentiated results of individual state budgets. The state budget of the federation ended with a surplus of Kcs2.49 billion, the state budget of the Czech SR with a deficit of Kcs1.904 billion, and the state budget of the Slovak SR with a deficit of Kcs1.170 billion. These differences were due to several factors. The surplus of the federal budget is accounted for, in particular, by the lower-than-planned volume of special-purpose subsidies for the state budgets of the two republics, chiefly as a result of the nonfulfillment of the plan of comprehensive housing construction, as well as by the overfulfillment of levies surrendered by economic organizations in federally administered sectors. In the Czech SR, on the other hand, the economic organizations' lower-than-planned levies led to the nonfulfillment of budgetary revenues and, by the same token, to the emergence of a budget deficit. The main cause of the deficit in the state budget of the Slovak SR were extraordinary outlays connected with the need to offset the shortfall of resources in the land amelioration fund and with ensuring supplies of water to Kosice.

The CSSR Government proposes that the Federal Assembly approve of the entire surplus of the state budget of the Czechoslovak Federation to be used for extraordinary subsidies to the state budgets of the republics—Kcs1.604 billion for the state budget of the Czech SR and Kcs886 million for the state budget of the Slovak SR. The remaining part of the deficits in the state budgets of the two republics, which amounts to Kcs300 million in the Czech SR and Kcs284 million in the Slovak SR, will be dealt with within the jurisdiction of the two republics, by drawing on [surplus] resources from previous years. Once the proposed changes are projected into all state budgets, that is, the state budgets of the federation and of the two republics, their final account will be in balance.

The aggregate revenues of the state budgets of the Czechoslovak federation, the Czech SR, and the Slovak SR, as well as their aggregate expenditures, totalled Kcs314.6 billion and were Kcs3 billion lower than planned.

The revenues of the state budget of the Czechoslovak federation totalled Kcs204.6 billion. Of this amount, Kcs66.9 billion was used for outlays of federally-administered agencies and organizations and Kcs137.7 billion, a sum which includes the proposed extraordinary subsidies, for subsidies to the state budgets of the two republics.

A detailed analysis of the fulfillment of individual items of budgetary revenues and expenditures last year points to some pronounced deviations from planned intentions, especially with regard to proceeds from the turnover tax and to economic organizations' levies.

Proceeds from the turnover tax, including differences from the domestic market, totalled Kcs88.2 billion; they fell Kcs6 billion short of the plan, chiefly as a result of the nonfulfillment of planned deliveries to the market and to the overfulfillment of the delivered volume of products with a low or a negative turnover tax, such as, for example, fuels. The volume of fuel deliveries was markedly exceeded last year, as a result of the long winter. Planned imports for domestic trade were not fulfilled either. In view of the continuation this year of the problems in meeting demand on the domestic market, the government has discussed the issue of improving the domestic market and adopted a number of specific measures to reinforce deliveries of merchandise from domestic as well as foreign manufacturers.

With the volume of levies surrendered by economic organizations totalling Kcs178.9 billion and the volume of subsidies totalling Kcs62.2 billion, the net financial contribution of economic organizations to the state budget amounted to Kcs116.7 billion. With a contribution of Kcs77.7 billion, industry accounted for the lion's share of the generation of these resources; the building sector contributed Kcs12.4 billion. The negative balance of economic organizations of the agriculture-food industry complex in relation to the state budget reached the sum of Kcs9.3 billion, which was Kcs1.6 billion less than in 1986.

Aggregate budgetary revenues of national committees totalled Kcs138.5 billion last year and were Kcs6.3 billion higher than planned. These revenues include Kcs69.4 billion in subsidies from the republics' state budgets. National committees' expenditures totalled Kcs137.0 billion, Kcs4.7 billion more than planned. The higher-than-planned volume of the national committees' budgets was made possible by a higher-than-planned generation of supplementary resources, which are not budgeted to the full extent. In harmony with the valid principles governing the national committees' material incentives, these supplementary resources are the main source of funding investments under the Z-project [community self-improvement program]. Along with special-purpose resources extended from the state budgets of the republics, they also made it possible to finance to a greater extent needs in the field of repairs, maintenance, and other material outlays in education, health care, and culture.

A characteristic feature of the state budgets and the national committees' budgets is their increasingly marked orientation toward safeguarding the social and cultural needs of our citizens, J. Zak went on to say.

The total volume of budgetary expenditures on social services and activities for the public reached a sum of almost Kcs192 billion last year. Compared with 1986, budgetary expenditures for the benefit of the public thus increased Kcs7.4 billion. Aside from increased resources allocated from the national committees' budgets and the two republics' state budgets, this increase was also

accounted for by the implementation of the first stage of social measures arising from the Resolution of the CPCZ Central Committee Presidium, the CSSR Government, the Central Trade Union Council Presidium, and the Presidium of the Socialist Youth Union Central Committee of April 1987. The impact of pay adjustments carried out in the fields of education, health care, culture, and social services was also evident here.

One-half of the total volume of budgetary expenditures on social services and activities for the public is accounted for by social security payments, which amounted to Kcs88.5 billion, Kcs1.3 billion more than in 1986.

With the awareness of the urgency of faster progress in improving the quality of health care, we continued to increase noninvestment expenditures on health care; they rose 5.4 percent compared with 1986, to a total of Kcs29.4 billion.

Noninvestment budgetary resources spent on education were 4.4 percent higher than in 1986 and amounted to Kcs29.1 billion.

Of the total volume of noninvestment expenditures on culture, which amounted to Kcs5.7 billion in 1987, more than two-thirds was accounted for by subsidies for the operation of theaters, houses of culture, and other cultural establishments, which increased by Kcs274 million. Kcs885 million was spent on the conservation and modernization of historical monuments last year.

Aggregate budgetary expenditures on housing construction and the housing economy amounted to Kcs28.0 billion, Kcs1.9 billion less than planned. This was due to the nonfulfillment of planned targets in comprehensive housing construction. A total of 79,628 apartments were completed in all forms of housing construction last year, which was 5,621 apartments less than planned. Because of lack of preparedness on the part of area planners, designers, and investors, the planned target in the number of newly started apartments was not fulfilled either. Funds extended to enterprises of the housing economy to offset their losses amounted to Kcs5.7 billion.

An integral part of the evaluation of last year's results is the evaluation of the economic performance of organizations. Of the total of 1,981 centrally administered organizations, 68.6 percent met all the decisive indicators of the plan, which is only a slight improvement compared with 1986. At the same time, the overall economic performance of 27 percent of organizations grew worse compared with 1986.

A problem of no lesser momentousness is the loss-making operation of a number of enterprises. The number of centrally administered economic organizations whose operations ended with a loss remained virtually stagnant. A total of 193 enterprises operated at a loss in 1987, compared with 201 in 1986. Their aggregate loss declined by only Kcs100 million, to Kcs9.0 billion.

It needs to be said that almost 60 percent of the aggregate loss of centrally administered organizations is concentrated in the sector administered by the Federal Ministry of Fuels and Power, which also has the greatest number of loss-making organizations (42). Their losses are to a considerable degree connected with the deteriorating mining conditions. The circumstance that the loss of enterprises operating in this field increased from Kcs3.5 billion in 1981 to Kcs5.2 billion in 1987 clearly shows that it is necessary to more markedly reduce the fuel and power-intensiveness of our economy and also to operate more cost-efficiently in the fuel-power complex itself.

Developments so far this year show that, despite some improvement, negative tendencies in the fulfillment of the qualitative targets of the state plan and of the budget linger on. The overfulfillment of the planned shares of material and financial costs [in the value of output] is projected in shortfalls in the economic organizations' generation of profit. This negatively influences the development of economic organizations' levies and generates tension in budget management. Deviations from the planned structure of production and sales continue; exports to nonsocialist countries are falling short of the plan. Problems in the development of inventories in industry and the construction sector linger on, problems which, in conjunction with the insufficient generation of financial resources and irregular production and sales, result in a high degree of organizations' insolvency.

Overcoming these adverse tendencies and deviations from planned intentions requires maximum efforts by senior staff at all levels and by labor collectives, not excluding agencies of the financial system. We also place emphasis on the reasonableness of expenditures in all areas of the production and nonproduction spheres and on the efficient use of financial and credit resources.

While debating the state final account, the government approved an expansion of its thrift program in the Eighth 5-Year Plan. In the sphere of official cars, the expansion of this program concerns a further cut in the number of official automobiles, and chauffeurs, in conjunction with the reorganization of the central bodies of state administration and of the enterprise sphere. The operating expenditures of Czechoslovak representative missions and commercial departments will be cut 30 percent by the end of 1989; a ban has been issued on the construction start of new special-purpose educational establishments (with the exception of the education sector); and the justification of material benefits being extended to the staff of managerial structures in some branches will be reassessed.

In conjunction with changes in the content, organization, and methods of central bodies' work, a decision has been made to cut their staff. The staff of the central

bodies of state administration will be cut 30 percent overall, with staff cuts in some sectors being even more pronounced. The staff of federal central bodies that are headed by a member of the CSSR Government will be cut by 2,470, the staff of central bodies of the Czech SR by 1,446, and the staff of central bodies of the Slovak SR by 1,063 employees, representing an aggregate cut by 4,979 employees. Cuts in the staff number of other central bodies will be determined simultaneously with the stipulation of their new functions and organizational structures. A rationalization of the activity of special-purpose organizations that are supervised directly by central bodies is also on the drawing board.

A comprehensive enhancement of thrift in the nonproduction sphere should also be promoted by an experiment in budget-funded and subsidized organizations that is now in preparation. Its aim is to test the possibilities of longer-term planning and financing of these organizations, to objectify the volumes of their budgets, and to apply a more effective system of labor collectives' and individuals' material stake in their economic performance, especially in exceeding planned revenues and keeping down designated types of costs.

Also in the preparatory stage is a reinforcement of principle of the source of budgetary revenues of, in particular, national committees in citie nd central villages, with the aim of boosting the self-re ce of their budgets and, by the same token, enhancing eir powers and responsibility.

In the concluding part of his speech Minister J. Zak said that, within the framework of drafting the new economic mechanism, the work of the ministries of finance currently focuses on restructuring the system of organizations' levies and taxes payable to the state budget. They are working on a partial amendment to the law on levies to the state budget and on the income tax, on a new law on the agricultural tax, as well as on a comprehensive revision of economic organizations' levies and of the income tax up to the year 1991.

Attendees Listed 15 Jun

AU1906144488 Prague RUDE PRAVO in Czech 16 Jun 88 pp 1, 2

[Report by RUDE PRAVO correspondents Marie Koenigova and Daniela Mannova: "The 10th Meeting of the CSSR Federal Assembly Continues; New Laws on the Development of the Cooperative Sector"]

[Excerpts] Prague—The highest CSSR legislative body approved the Law on Agricultural Cooperatives and the Law of Housing, Consumers, and Production Cooperatives on Wednesday [15 June]. [passage omitted] The same day deputies of the CSSR Federal Assembly approved 3 amendments to laws—to the Law on the Use of Land and Other Agricultural Property, to the Economic Code, and to the Law on Economic Arbitration. The deliberations were attended by Milos Jakes, general secretary of the CPCZ Central Committee, and CSSR Premier Lubomir Strougal. [passage omitted]

The meetings were also attended by Comrades Ladislav Adamec, Peter Colotka, Jan Fojtik, Karel Hoffmann, Alois Indra, Ignac Janak, Josef Kempny, Jozef Lenart, Josef Haman, Vladimir Herman, Miloslav Hruskovic, Frantisek Pitra, Miroslav Zavadil, Jaroslav Hajn, Mikulas Beno, Frantisek Hanus, Zdenek Horeni, Marie Kabrhelova, and Miroslav Stepan. [passage omitted]

Economic Amendments Approved

LD1506204388 Prague CTK in English 1719 GMT 15 Jun 88

[Text] Prague June 15 (CTK)—The Czechoslovak Federal Assembly approved today amendments to the Czechoslovak Economic Code which were presented by Czechoslovak Minister Marian Calfa.

He stressed that the amendments to the economic code form a significant part of the process of the restructuring of the Czechoslovak economic mechanism. The aim is to guarantee to enterprises and cooperatives due scope for economic autonomy, for the development of socialist enterprising based on the full implementation of the cost accounting system, self-financing and socialist self-management. Marian Calfa also expressed the conviction that the amendments will contribute to eliminating imbalance in supplier-consumer relations and strengthen the position of consumers. The amendments will come into force on July 1, 1988 and will be valid until 1990. After this period, a new economic code should be approved.

Marian Calfa further said that within the amended economic code, economic organizations will be allowed to carry out economic activities beyond the framework of planned tasks as long as these activities will not hinder the fulfillment of planned targets. Enterprises and cooperatives will also have the right to defend themselves against unlawful interference by the superior authorities. They will also have the right to compensation if a decision made on the legal basis by the superior authorities will cause them property damage. The managing bodies will no longer have the right to interfere without restrictions in economic agreements signed by the enterprises.

The enterprises will have extended powers in deciding their production program. On the other hand they will also have greater responsibility for poor quality products and for failing to keep to economic contracts, Marian Calfa stressed.

Leaders' Public Appearances 6-13 June

AU1606135288 [Editorial Report] Prague RUDE PRAVO in Czech and Bratislava PRAVDA in Slovak from 7 to 14 June report the following public appearances of CSSR leaders (source, date, and page number of each report is given in parentheses):

Milan Vaclavik, CSSR minister of national defense, was among those who attended the "Shield-88" maneuvers in northwest Poland and were received by Wojciech Jaruzelski, chairman of the PPR Council of State and commander in chief of the Polish Armed Forces, on 6 June (Prague RUDE PRAVO in Czech 7 Jun 88 p 7);

Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, received Frantisek Langer, the new CSSR ambassador to the GDR, in Prague on 7 June (Prague RUDE PRAVO in Czech 8 Jun 88 p 1);

Mikulas Beno, CPCZ Central Committee secretary, received a Mongolian People's Revolutionary Party Central Committee delegation headed by Sengeagiin Luvsandas in Prague on 7 June (Prague RUDE PRAVO in Czech 8 Jun 88 p 2);

Frantisek Pitra, candidate member of the Presidium and secretary of the CPCZ Central Committee, received a study delegation of the SED Central Committee, headed by Wolfgang Jahn, deputy chief of an SED Central Committee department, in Prague on 7 June (Prague RUDE PRAVO in Czech 8 Jun 88 p 2);

Ignac Janak, member of the CPCZ Central Committee Presidium and first secretary of the CPSL Central Committee, visited the Tesla plant in Trnava on 8 June;

Josef Haman, candidate member of the CPCZ Central Committee Presidium and leading secretary of the CPCZ's Central Bohemian Regional Committee, accompanied a delegation of the CPSU's Moscow Oblast Committee during its visit to the Poldi SONP enterprise in Kladno on 8 June (both reports Prague RUDE PRAVO in Czech 9 Jun 88 p 2);

Ignac Janak attended a performance of the "Lucnica" folklore ensemble in Bratislava on 8 June (Bratislava PRAVDA in Slovak 9 Jun 88 p 1);

Karel Hoffmann, member of the Presidium and secretary of the CPCZ Central Committee, presided over a meeting of secretaries of the CPCZ regional and Prague and Bratislava City Committees for political-organizational work in Prague on 9 June (Prague RUDE PRAVO in Czech 10 Jun 88 p 1);

Frantisek Hanus, CPCZ Central Committee secretary, received Anatoliy Mayorets, USSR minister of power and electrification, in Prague on 9 June;

Frantisek Pitra paid a visit to the "Zenit-88" exhibition in Prague on 9 June (both reports Prague RUDE PRAVO in Czech 10 Jun 88 p 2);

Josef Haman was present when Milos Jakes, CPCZ Central Committee general secretary, received Valentin Mesyats, member of the CPSU Central Committee and first secretary of the CPSU's Moscow Oblast Committee, in Prague on 10 June (Prague RUDE PRAVO in Czech 11 Jun 88 p 1);

Ignac Janak received Miroslav Zavadil, candidate member of the CPSU Central Committee Presidium and chairman of the Central Trade Union Council, who is paying a working visit to the Slovak SR, in Bratislava on 10 June (Bratislava PRAVDA in Slovak 11 Jun 88 p 1);

Frantisek Hanus attended "peace celebrations" in Konopiste on 11 June (Prague RUDE PRAVO in Czech 13 Jun 88 p 1);

Mikulas Beno paid a visit to the main control station of the long-distance radio-relay network and the technical coordination center, as well as to other communications-related facilities in Prague on 13 June;

Ignac Janak presented Bohumil Chudy, secretary of the CPSL's Bratislava City Committee, the Order of the Victorious February on the occasion of the latter's 60th birthday in Bratislava on 13 June [both reports Prague RUDE PRAVO in Czech 14 Jun 88 p 2]

Peter Colotka, member of the CPCZ Central Committee Presidium and premier of the Slovak SR, received Walter Swatosch, the new Austrian consul general in Slovakia, in Bratislava on 13 June (Bratislava PRAVDA in Slovak 14 Jun 88 p 1).

FRG Protests Obstruction of Journalists

LD2006141388 Hamburg DPA in German 1318 GMT 20 Jun 88

[Text] Berlin/Bonn (DPA)—The Federal Government on Monday officially protested to the GDR Government in East Berlin against the massive obstruction of Western correspondents on Sunday evening near the Brandenburg Gate. The Federal Government was "extremely alienated" by the obstruction of West German correspondents from reporting events in East Berlin, Government Spokesman Herbert Schmuelling said on Monday in Bonn. Schmuelling was referring to the actions against Western reporters who attempted yesterday evening to report on reactions of East Berlin rock fans to a concert by U.S. pop singer Michael Jackson, taking place a few hundred meters away, on the other side of the Wall, in front of the Reichstag building.

The behavior of the GDR security forces was in contravention of the agreements for correspondents from the FRG in East Berlin, Schmuelling said. Nor was it in harmony with the principles laid down in the communique on the visit of Erich Honecker, chairman of the GDR Council of State.

Schmuelling confirmed that a member of the Permanent Mission of the FRG in East Berlin had been "affected by the scuffles."

Ottfried Hennig, parliamentary secretary of state in the Intra-German Ministry (CDU), told Radio Luxembourg that a "spirit of pettiness" was spreading again in the GDR. The "most negative point" in intra-German relations since the Honecker visit last year has been reached. This can only have adverse consequences. [passage omitted]

Protest Rejected

LD2006153188 East Berlin ADN International Service in German 1501 GMT 20 Jun 88

[Text] Berlin, 20 Jun (ADN)—The GDR Foreign Ministry today decisively rejected a protest from the FRG Permanent Mission concerning the alleged obstruction of FRG correspondents accredited in the GDR. It was pointed out that reports of actions against FRG correspondents were without any foundation and claims about mistreatment with electric shocks were pure invention.

Authorities Ban Editions of Three Church Papers

AU2006121288 Frankfurt/Main FRANKFURTER ALLGEMEINE in German 20 Jun 88 p 1

["EPD" report: "Publication of Church Papers Prevented Again"]

[Text] Rostock, 19 June—GDR authorities have again prevented the publication of three of the Evangelical Church's five newspapers. The reason for the ban is said to be the reprinting of a commentary from the Soviet MOSCOW NEWS, and the coverage of previous church conferences. This information was revealed at the Rostock church conference. The papers affected are the MECKLENBURGER KIRCHENZEITUNG, the East Berlin paper DIE KIRCHE, and the Thuringian weekly GLAUBE UND HEIMAT. The printers were reportedly ordered by the "Press Office of the Chairman of the Council of Ministers" to suspend printing of this weekend's editions. The reason for this action is a commentary on Soviet religious policy in the East Berlin paper DIE KIRCHE, which the editors had taken from the Soviet MOSCOW NEWS, which has recently also been published in German. Furthermore, the state Press Office, which also issues licenses to church papers, disliked a commentary on fascist-like tendencies among skinheads in the GDR, it was said in Rostock.

Hager Presents Politburo Report to CC Session

AU1706060188 East Berlin NEUES DEUTSCHLAND in German 10 Jun 88 pp 3-9

["From the Politburo report to the sixth SED Central Committee session; rapporteur: Kurt Hager, member of the Politburo and secretary of the SED Central Committee"]

[Text] Esteemed comrades:

Since the fifth SED Central Committee session, further progress has been achieved in the shaping of the developed socialist society in the GDR and in the struggle to safeguard peace. Comrade Erich Honecker, general secretary of the SED Central Committee, gave an extensive assessment of the domestic and foreign policy situation and provided a fundamental guideline for the activity of our party in his speech at the discussion between the Central Committee Secretariat and the kreis first secretaries on 12 February 1988. This speech forms the basis for the political and ideological preparation of the party elections, which have been decided by the Politburo, in the party groups, departmental party organizations, basic organizations, and local leaderships from 12 September to 12 November 1988, and of the delegates' conferences for the new election of kreis, city district, and city leaderships from 3 to 10 December 1988. The party elections are an important event in the life of our party. Preparing and holding them requires all communists to actively work to implement the decisions of the 11th SED Congress, to further deepen the links between party and people, to convincingly explain our policy to all citizens, and to start new initiatives in the economy, in science, culture, and in other fields, to strengthen the GDR.

I. [Roman one] To Continue the Process of Disarmament and Detente [chapter head]

Dear comrades, if one reviews the period since the fifth Central Committee session, then the assessment remains that a change for the better is beginning to register in

international relations. Significant developments are taking place in spite of existing complications and the resistance of forces hostile to detente, which we cannot overlook.

The meeting between Mikhail Gorbachev and Ronald Reagan in Moscow a few days ago was a further significant step to advance disarmament and to make peace more secure. The improvement in relations between the Soviet Union and the United States is of fundamental importance for international security. Comrade Mikhail Gorbachev had the mandate of the allied socialist states for his complicated negotiations with Ronald Reagan.

The most important results of this fourth summit meeting are:

—The dialogue between the USSR and the United States has become a secure component of international politics. This dialogue is useful not only to the two superpowers, but also benefits all states and peoples.

—The exchange of ratification instruments for the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range missiles has special importance. Thereby, the historic treaty which introduces nuclear disarmament comes into force.

—Encouraging preconditions were created in Moscow for continuing and strengthening the process of nuclear disarmament through the conclusion of a treaty on a 50-percent reduction in the strategic offensive weapons of the USSR and the United States. There are prospects for limiting nuclear weapons tests and for a global ban on chemical weapons. There is also the justified hope that nuclear missiles with a range of up to 500 km will be included in the disarmament process, which is particularly in the interests of peace and security and of the two German states.

—Despite the problems that are still present, there are real prospects that there will be agreement at the Vienna CSCE follow-up conference on a mandate for starting negotiations on radical conventional disarmament.

—As a result of the summit conference, new possibilities for the political solution of regional conflicts are also becoming apparent.

Now it is necessary to advance the process of disarmament through halving the strategic offensive weapons while adhering to the ABM Treaty, through a ban on chemical weapons and on nuclear tests, through the elimination of tactical nuclear weapons, and through a reduction in armed forces and conventional arms in Europe. This requires persistent efforts by all peace forces, since it is necessary to overcome the resistance of the military-industrial complex and of those NATO circles which, as decided at the meeting of the NATO council in Brussels on 2-3 March 1988, want to stick to the strategy of nuclear deterrence and who do not want to relinquish the "modernization" of the weapons systems.

During the complicated preparations for the Moscow summit, the Soviet Union coordinated its actions with its allies on all decisive questions. This was reflected by the meeting of the Warsaw Pact foreign ministers in Berlin on 13 May, at which Soviet Foreign Minister Eduard Shevardnadze gave a briefing on the state of Soviet-U.S. negotiations.

On 6 June 1988 Comrade Erich Honecker received Comrade Vadim Zagladin, who—on behalf of Comrade Mikhail Gorbachev—briefed him extensively on the course and results of the Soviet-U.S. summit in Moscow.

Comrades, there are only a few days left until the International Meeting on Nuclear-Free Zones in Berlin. The idea of establishing nuclear-free or peace zones is now finding increasing support throughout the world. Therefore, the GDR initiative launched by Erich Honecker to hold this world forum in the GDR capital, Berlin, the city of peace, is welcomed by the international public as being in keeping with the times. Prominent representatives of governments, parliaments, and social organizations throughout the world have promised to participate. The purpose of the meeting is to hold an open dialogue and to discuss experience, opinions, and new proposals in a constructive debate on the pros and cons. Especially for Europe, where the most modern mass destruction weapons of all kinds are most heavily concentrated, the establishment of nuclear-free zones and every step toward fewer weapons mean greater security. The International Meeting on Nuclear-Free Zones is intended to contribute to this.

The GDR knows that realistically thinking political forces on all continents are on its side in its striving for a secure peace. In talks with Argentina's Vice President Victor Martinez and Tanzania's Prime Minister Joseph S. Warioba, Comrade Erich Honecker paid tribute to the Stockholm Declaration, which was adopted this January and which reflects the high sense of responsibility of the representatives of the Six-State Initiative for freeing mankind from the scourge of the nuclear threat.

We have a clear guideline for our further struggle for peace. The Warsaw Pact members stated their peace program precisely at the Berlin summit in 1987 and at the meeting of their foreign ministers in Sofia in March 1988. Its implementation is aimed at eliminating all nuclear weapons, including tactical nuclear weapons, at arms limitation and disarmament, and at establishing a comprehensive system of international security. The appeal to the NATO member states and to all countries participating in the CSCE outlines the projects which, in our view, now deserve priority.

Our disarmament policy is predictable and builds trust. With new initiatives and proposals we are reacting to changed conditions and to ideas from our partners on the other side. After the ratification of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, it is now necessary to implement it consistently. In accordance with the agreement between the GDR and the Soviet Governments, the premature withdrawal of Soviet OTR-22 (SS-12) missiles—along with their launch ramps and auxiliary equipment—from the territory of the GDR, was concluded on 19 March 1988. The installation in Waren Kreis, which had been used by a Soviet missile brigade, was taken over by the FDGB National Executive Council. Soon 840 working people will be the first ones to spend their vacations there. At the farewell ceremony for the Soviet missile soldiers, the citizens of our country thanked them for their comradeship-in-arms. They expressed the hope that this unilateral act of the socialist states will promote further disarmament steps. The GDR Government has made all preparations for U.S. control and inspection activities on our territory, in line with the Treaty on the Elimination of Intermediate- and Shorter-Range Missiles.

It is becoming more and more urgent to free Europe from chemical weapons and at the same time to promote a worldwide ban on chemical weapons. The new initiative which our party has taken together with the CPCZ and the SPD corresponds to this. State negotiations on the establishment of a chemical weapons-free zone are urgently required. The Governments of the GDR and the CSSR have officially made an offer for negotiations on this to the FRG Government. It would be a good time to already apply in central Europe those parts of the treaty on a worldwide ban of chemical weapons, and above all the control of them, that were already agreed at the Geneva disarmament conference. Such a zone would be of great importance for the security of Europe and could help to collect practical experiences for the solution of questions still open in the negotiations on a global ban.

The socialist states attach particular importance to the drastic reduction of conventional arms and armed forces in Europe. Our objective is to ban all nuclear weapons from Europe as quickly and completely as possible and lower the military balance to the lowest possible level. A precondition for this is that NATO should give up its previous destructive attitude. Its firm hold on the stereotype demand for concessions in advance from the Warsaw Pact, and speculations of being able to force the socialist states to new concessions, again and again, are not helpful. Disarmament requires observance of the principle of equality and equal security. Disarmament only makes sense and only leads to more security if asymmetries are eliminated. The path to disarmament would be made easier by the exchange of information on the armed forces and conventional arms of the states of both alliances, as proposed by the Warsaw Pact states.

The Helsinki Final Act and the CSCE process are and will remain indispensable elements of European detente policy for the GDR. In this spirit the GDR is striving at the Vienna follow-up meeting for results that will tangibly advance the CSCE process through a new level of negotiations on conventional disarmament and through substantial agreements in the political, economic, cultural, and humanitarian fields. Within the framework of the coordinated policy of the Warsaw Pact states, we are working flexibly and are prepared to compromise to end the meeting as soon as possible with a balanced final document.

We welcome proposals such as those of Milos Jakes, general secretary of the CPCZ Central Committee, to establish a zone of trust along the dividing line between the Warsaw Pact and NATO, and the Jaruzelski plan to reduce armaments, as timely steps. We support Mikhail Gorbachev's proposals to reduce military activities in northern Europe and in the Baltic Sea, and to limit the presence of Soviet and U.S. fleets in the Mediterranean.

Our party's security policy is guided by the wish to realize the military doctrine of the Warsaw Pact states as a military and military-political component of the peace program of socialism. This was affirmed by Comrade Erich Honecker in his meeting with Marshal of the Soviet Union Viktor Kulikov, commander in chief of the Joint Armed Forces. Together with the Soviet Union and the other socialist states, the GDR is working with full determination for a nuclear-free world and for a secure peace. The Joint Armed Forces are also ensuring their readiness and capability for collective military protection of the socialist countries at the required level at all times. In the future, too, they will honorably fulfill their mission to preserve peace in unshakable comradeship-in-arms.

The Question of Survival Concerns Everyone [subhead]

Comrades, it is becoming increasingly apparent that the question of survival and other global problems faced by mankind are also having an impact on the imperialist states and their ruling circles, and are promoting more realistic thinking with regard to East-West relations. There is also the fact that the arms race in its present dimensions does not accord with the economic interests of the overwhelming majority of the bourgeoisie. In broad circles of the bourgeoisie—and extending into the monopolist groupings in the United States, the FRG, and other countries—there is growing interest in expanding peaceful and mutually beneficial relations with the socialist countries. This was also shown in the many meetings and talks which the representatives of the GDR had with politicians from Western states during the period under review.

The significance of the state visit to the French Republic by Comrade Erich Honecker at the start of the year went far beyond bilateral relations. In the talks both sides agreed that priority must be attached to the safeguarding

of peace and that the path of disarmament must be consistently followed. Great importance was attached to dialogue as a means of creating more predictability and trust. All French interlocutors expressed the interest of the government and the political and economic circles of this West European country in an overall development of relations with the GDR. In his message to Erich Honecker of 21 May 1988, Francois Mitterrand, president of the French Republic, speaks of a new stage in the relations between our two countries. He expresses his conviction "that it is possible to develop even more broadly the relations of friendship and cooperation between France and the GDR." The visit of Prime Minister Andreas Papandreou to Berlin is evidence of the stable relations between the GDR and Greece. Erich Honecker and his guest agreed that precisely at present it is necessary to continue the dialogue and to jointly advocate peace and disarmament, detente, and an improvement in the international situation.

Erich Honecker met for talks with Felix Pons Irazazabal, president of the Spanish Congress, and with Jose Maria Cuevas Salvador, president of the Spanish entrepreneurs' organization. It was concurrently noted that, regardless of the different systems and membership in different alliances, the GDR and Spain have many issues in common in politics, economy, and culture. Erich Honecker stressed the GDR's interest in further developing and deepening the fruitful cooperation with Spain, the importance of which goes beyond the bilateral scope and contributes to consolidating trust and security in Europe.

The necessity of preserving peace and developing mutually beneficial relations of peaceful coexistence were the focus of the talks which Horst Sindermann had during his visits to Greece, Portugal, and Belgium, and with the chairman of the Danish Folketing [legislature]. Alfred Neumann met with Finland's health minister and Oskar Fischer had meetings with the representatives of Spain, Austria, and the foreign minister of Norway.

On his visit to the United States, Comrade Hermann Axen, in his capacity as chairman of the Foreign Affairs Committee of the People's Chamber, explained the GDR's active and constructive peace policy in meetings with Secretary of State Shultz, Trade Secretary Verity, other representatives of the U.S. Administration, leading representatives of both houses of Congress, scientists, business people, and other personalities. He stressed our interest in developing political dialogue and bilateral cooperation. Both sides consider that the time has come for a further normalization of relations between the United States and the GDR.

The same range of issues was the focus of the talk that Comrade Egon Krenz had with William Bodde of the U.S. State Department.

The establishment of official relations between CEMA and the EC serves the further shaping of the common European house. The signing of a corresponding agreement between the two economic organizations is planned for this month. In this connection, the GDR is willing to open official relations with the EC.

Relations Between the GDR and the FRG [subhead]

Comrades, proceeding from the agreement reached with the FRG Government during Erich Honecker's official visit to the FRG last year that both sides would support a 50-percent reduction in strategic nuclear weapons with adherence to the ABM Treaty, a halt to nuclear tests, a worldwide ban on chemical weapons, and a start of negotiations on reducing conventional weapons and armed forces, and in accordance with the responsibility of both German states for safeguarding peace in Europe, Comrade Erich Honecker sent a letter to Chancellor Helmut Kohl on 16 December 1987.

The proposals contained in this letter were directed toward progress in nuclear, chemical, and conventional disarmament, and toward preventing the results of the INF Treaty from being devalued by the expansion of other weapons systems. First, imbalances should be eliminated by disarmament on the part of the side that has more weapons, rather than by the acquisition of more arms by the side with fewer weapons. The goal is to establish a nonaggression capability [nichtangriffsfaehigkeit] on both sides.

In his reply on 23 March 1988, Chancellor Kohl reaffirmed that the opportunities present for further steps toward a secure peace with fewer weapons must now be taken rapidly and comprehensively in the nuclear, chemical, and conventional spheres. At the same time, in accordance with a NATO decision, he did not see himself in a position to be able to agree to the proposal we submitted on negotiations on missiles with a range below 500 km. This made clear the conflicting policy of the FRG Government on the disarmament issue. Vis-a-vis the United States, the Bonn government states that there is no need to modernize nuclear short-range missiles as long as there is no overall NATO disarmament concept. In agreement with the United States, however, it rejects reducing or eliminating nuclear short-range missiles, that is to say, a third zero option. The FRG Government has also not yet responded to the proposals of the Governments of the GDR and the CSSR to start negotiations on creating a nuclear-free corridor and a chemical weapons-free zone.

It is natural for the GDR to expect concrete contributions from the FRG Government to continue the process of disarmament and detente. This remains the heart of the political dialogue and the policy of peaceful coexistence, to which there is no alternative, either now or in the future. Despite many notes of discord from the FRG in recent months, the GDR party and state leadership have, therefore, continued the dialogue with those forces

bearing responsibility in the FRG. An important precondition for a constructive atmosphere in dealing with one another is respect for sovereignty, territorial integrity, and noninterference, as well as agreement on fundamental questions of security policy.

Comrade Erich Honecker's meetings with Alfred Dregger, chairman of the CDU/CSU Bundestag group; Volker Ruehe, deputy chairman of the group; and Bernhard Vogel, minister president of the Rhineland-Palatinate, showed that there are concurring views on a number of important questions for safeguarding peace. The talks with the CDU politicians have made it clear that the West still has to find a constructive reply to the Warsaw Pact proposals on safeguarding peace. The readiness to cooperate with the GDR is noteworthy, however.

In Erich Honecker's talk with FDP politician Count Otto Lambsdorff, too, questions of safeguarding peace, arms limitation, and all-around cooperation between the GDR and the FRG were the focal point.

Particular weight for new stimuli in the dialogue for peace and joint security lay in the talks between Erich Honecker and leading representatives of the SPD. His sixth meeting with Hans-Jochen Vogel, chairman of the SPD and the SPD Bundestag group, underlined the continuity of the fruitful exchange of opinions on questions of safeguarding peace and the continuation of the dialogue on foreign policy between the socialist and capitalist states.

Questions of safeguarding peace and continuing the process of detente were at the center of the meeting between Erich Honecker and Johannes Rau, SPD deputy chairman and minister president of North Rhine-Westphalia, as well as of further talks between members of the Politburo and the Central Committee and Social Democratic politicians. Agreement with regard to a further zero option for tactical nuclear weapons and nuclear, chemical, and conventional arms was thereby affirmed.

The proposals on forming a chemical weapons-free zone and a nuclear-free corridor are regarded by both parties as topical. Both parties attach great significance to the activity of the joint working group of the SED Central Committee and the SPD Bundestag group on questions of security policy, especially since the questions the group deals with are the most highly topical for advancing the process of disarmament in Europe.

The joint document of the Academy of Social Sciences of the SED Central Committee and the SPD Basic Values Commission, "The Conflict of Ideologies and Common Security," is based on the basic insight of both parties that, in the present, peace can only be guaranteed with each other and no longer against each other. This document has been received well internationally and has proven itself to be an important stimulus for the policy of dialogue and to be helpful for the discussion which has commenced on the house rules of the European house.

At the same time, the document juxtaposes clearly and unambiguously the ideological differences, the positions of Marxism-Leninism on the one hand, and those of social reformism on the other. The document leaves no room at all for ideological coexistence or for a convergence of both social systems.

It is completely normal that contrary standpoints come to light in the ideological conflict of opinion. We consider the attempt by some political forces in the FRG to transfer the contrary ideological positions to state relations and to interfere in the GDR's internal affairs to be abnormal and unsuitable, because it contradicts the spirit of the joint document. Likewise, it cannot be the point of the paper to change the GDR according to Western ideas and to question its social system. Peaceful competition presupposes respect for differing value concepts.

The GDR has the firm intention to gradually invigorate the commitments made in the joint GDR-FRG communique of 8 September 1987. The numerous talks and encounters between ministers and experts from the GDR and the FRG, between parliamentarians, representatives of social organizations and of industry of both states served this objective, in which particular attention was given to intensifying economic cooperation. The agreement on creating the preconditions for the mutual purchase of electric power as of 1992, which includes Berlin (West), is of great advantage to both sides. In accordance with the CSCE Final Act, the GDR has also continued its constructive cooperation in the humanitarian area and has made far-reaching concessions in this field. This is shown by the continually rising numbers in mutual private tourist traffic.

Here a clear development tas taken place, in the spirit of peaceful cooperation and in the interests of the citizens—dependent on our economic possibilities, of course. In the first quarter of 1988 alone, 1,473,566 GDR citizens traveled to nonsocialist countries—362,563 of them on urgent family matters—predominantly to the FRG and Berlin (West).

Some things could be tackled more rapidly in the people's interest if the FRG Government were to show greater cooperation in solving basic political questions that are still open in the relationship between the two sovereign and equal German states. It would be advantageous for both sides if the drawing of the border at Elbe-Mitte were finally settled.

The meetings between Erich Honecker and Eberhard Diepgen in the GDR capital on 11 February 1988 and in Leipzig on 13 March 1988 were convincing proof that the GDR views the further improvement of the situation with regard to Berlin (West) and the development of

good-neighborliness as an indispensable element of safeguarding peace and of a common European house. As the results of the talks—which were positively received on all sides—show, progress is possible in relations, provided the Senate of Berlin (West) allows itself to be led by respect for realities and by the spirit of cooperation, and provided it guarantees the full application and strict adherence to the Quadripartite Agreement.

Further Strengthening of the Fraternal Socialist Alliance [subhead]

Comrades, strengthening socialism as a whole and in each individual fraternal country is a decisive precondition for consolidating peace. There is strategic importance in how the socialist states succeed in lending socialist society higher dynamics and effectiveness through the achievement of leading positions in labor productivity, thereby further raising the attractiveness of socialism. In the socialist world there are at present a multitude of forms and methods, of ways of organizing the social system. "If you look around the socialist world today," Comrade Honecker wrote in his PRAVDA article on the 43d anniversary of the liberation from fascism, "you can see lively developments, the search for timely answers in order to live up to new social requirements. It is important to learn from one another, without copying. It is not worth searching for a model. No one is in possession of a recipe that is valid for all; such a recipe does not exist. The exchange of experience, cooperation, and mutual solidarity are therefore all the more important."

We consider it decisive to implement with determination the policy decided by the 11th SED Congress and in this way to make our contribution to strengthening socialism and safeguarding peace. In so doing, in the search for effective solutions we exchange—as ever—our experiences with the fraternal countries and learn from one another.

We are following developments in the Soviet Union and the other socialist countries most attentively. Just as we receive the support of the CPSU and the other fraternal parties in the further shaping of the developed socialist society, so the GDR supports the efforts of the fraternal states to accelerate the socioeconomic development, to further raise living standards, and to strengthen socialism and increase its attractiveness.

In the Soviet Union an important process of restructuring all areas of society is under way. We are convinced that through great efforts the Soviet people, led by the party of Lenin, the CPSU, will achieve the goals set by the 27th CPSU Congress and will tap even more effectively the material and intellectual potentials inherent in socialism.

The overall, steadily deepening cooperation with the Soviet Union was, is, and will remain of prime political and economic importance for the GDR. This is demonstrated by the further development of bilateral relations during the period under review.

In Comrade Erich Honecker's talks with USSR Foreign Minister Eduard Shevardnadze and Aleksey Antonov, deputy chairman of the USSR Council of Ministers, the importance of the fraternal alliance between our parties, states, and peoples was stressed, and the necessary steps for its further expansion were set down.

Comrade Erich Honecker received a military delegation headed by Army General Dmitriy Yazov, candidate member of the CPSU Central Committee Politburo and USSR minister of defense. The official visit of this representative military delegation of the Soviet Armed Forces to the GDR again testified to the unshakable alliance between the GDR and the USSR.

The 13th Congress of the German-Soviet Friendship Society, which took place in May, again demonstrated that the fraternal affinity with the Soviet Union is not only a firm element of our state policy, but is deeply rooted in the minds of the GDR's citizens. It became a convincing expression of support by representatives of all classes, strata, ideologies, and religions for the policy of the 11th SED Congress and for the friendship and cooperation with the Soviet Union.

The meeting between Erich Honecker and Milos Jakes in Berlin in March 1988 testified to the strong militant alliance between the SED and the CPCZ. As the Politburo statement noted, it affirmed the firm links between the SED and CPCZ in the struggle for the common goals and ideals of socialism and peace. The proposals of both general secretaries on economic cooperation, on tourism, and on the creation of a German-Czechoslovak youth program strengthen the proven cooperation between our countries. A highlight of cultural cooperation was seen in the "CSSR Cultural Days in the GDR" in May, which will be followed by the "GDR Cultural Days in the CSSR" in September 1988.

The GDR's relations with the Hungarian People's Republic, the People's Republic of Bulgaria, and the SR of Romania, are being continuously further developed. This is demonstrated by Comrade Willi Stoph's official friendship visit to Hungary, and by the official friendship visit of Georgi Atanasov, chairman of the Bulgarian Council of Ministers, and the working visit of Constantin Dascalescu, prime minister of the Romanian Government, to the GDR.

Comrade Egon Krenz visited the PPR to discuss the purposeful implementation of the agreements that Erich Honecker and Wojciech Jaruzelski had reached at the Berlin meeting on a friendship program for the youth of the two countries. The treaty on this will be signed shortly. This provides good preconditions to again hold

the children's and youth exchange, which has been taking place for 6 years, with more than 300,000 participants and with a high standard.

Important agreements on the expansion of economic and scientific-technological cooperation with the USSR, the CSSR, with Hungary, and Romania were concluded at the sessions of the joint economic committees in Berlin.

Relations with the PRC are developing successfully on the basis of the agreements reached between Comrade Erich Honecker and Zhao Ziyang, general secretary of the CPC Central Committee. During a friendly meeting with Ni Zhifu, Chairman of the All-China Federation of Trade Unions, Comrade Erich Honecker stressed that his meetings with Zhao Ziyang in Beijing in 1986 and in Berlin in 1987 had been very fruitful and had made a decisive contribution to the further deepening of the traditional relations between the two parties, states, and peoples. The good development of relations is also reflected in the conclusion of a town-twinning agreement between Berlin and Beijing.

Tribute was paid to the firm friendship between the GDR and the Mongolian People's Republic and between their armed forces, in a talk at which Comrade Erich Honecker received Mongolian Defense Minister Jamsrangiyn Yondon.

We welcome the decision by the Governments of the SRV and the PRK on the withdrawal of a further 50,000 Vietnamese volunteers from Cambodia, the withdrawal of the Supreme Command of the Vietnamese troops, and the placing of the remaining troops under the Supreme Command of the PRK as an important, constructive contribution to settling the conflict in Southeast Asia by political means and to reducing the military tension in this area.

The exchange of views and experiences between the fraternal parties of the socialist countries is of primary importance. Our party has an active share in this. It was and is anxious to contribute to effectively solving those tasks which the new stage in the economic, social, and political development of the fraternal countries has put on the agenda. This also characterized the work of the delegations headed by Comrades Hermann Axen, Kurt Hager, Guenter Mittag, and Werner Felfe at the conferences of the Central Committee secretaries of fraternal parties from socialist countries on international questions, in Havana; on ideological issues, in Ulaanbaatar; on economic questions, in Budapest; and on agricultural questions, in Bucharest.

The varied, trusting cooperation with the CPSU is demonstrated by the meetings and talks which Comrade Hermann Axen had in Moscow with CPSU Central Committee Secretaries Anatoliy Dobrynin and Vadim Medvedev, which Comrade Kurt Hager conducted with Aleksandr Yakovlev, member of the Politburo and secretary of the CPSU Central Committee, during the secretaries' conference in Ulaanbaatar, and which Comrade Erich Mueckenberger held with CPSU Central Committee Politburo member Mikhail Solomentsev in Moscow. Comrades Hermann Axen, Horst Dohlus, Werner Felfe, Kurt Hager, Werner Jarowinsky, Guenther Kleiber, Egon Krenz, and Guenter Schabowski met with leading comrades of the CPCZ, the MSZMP, the Mongolian Revolutionary People's Party, the Kampuchean People's Revolutionary Party, the Workers Party of Korea, the Lao People's Revolutionary Party, and the LCY.

The recent visits of Comrades Hermann Axen and Guenter Schabowski to China constituted an important contribution to the development of party relations between the SED and the CPC. It was agreed to intensify the exchange of delegations and experiences between the two parties on topical questions of the building of socialism and on problems of international politics.

During the period under review, the SED sent 28 delegations to fraternal parties in socialist countries and received 27 delegations from these parties.

At the Side of the Developing Countries and the Liberation Movements [subhead]

Comrades, questions of safeguarding world peace are also at the center of our relations with the countries of Asia, Africa, and Latin America. The past few months, too, provide evidence that the work of these countries to preserve world peace, for disarmament, and against neocolonial exploitation and oppression is growing. In talks which Comrades Erich Honecker and Horst Sindermann and other leading comrades of our party had with representatives of India, with the first vice president of Tanzania, the president of the National People's Assembly of Algeria, and the foreign minister of Mozambique, the concurrent view was expressed that only by means of real disarmament can preconditions be established for solving the grave problems of the developing countries. Peace and international security include the right of every country to choose its own path of development.

An event of great consequence is the conclusion of the Geneva agreements on the political settlement of the situation in Afghanistan. They prove that compromises can be achieved with goodwill, reason, and realism, even in difficult situations, and that these compromises benefit peace and people. The constructive attitude of the USSR and the policy of national reconciliation of the Afghan Government were of decisive importance for the Geneva settlements. It is important that the USSR and the United States are acting as guarantors. The planned withdrawal of Soviet troops from Afghanistan has started. The future development now depends on how responsibly all sides fulfill the obligations they have taken on.

During a talk with Dr Najibullah, general secretary of the Central Committee of the Democratic People's Party of Afghanistan and president of Afghanistan, on the occasion of the celebrations on the 10th anniversary of the April Revolution, Comrade Werner Walde affirmed that the Afghan people can always count on the GDR's solidarity and support. In a talk with Bayardo Arce, vice coordinator of the National Directorate of the Sandinist National Liberation Front, Comrade Erich Honecker affirmed the GDR's great respect for the constructive and responsible foreign policy of Nicaragua in the interest of a just and peaceful solution to the conflict with the U.S. backed contras, which has already claimed a great number of lives. The agreement on the temporary truce between the Sandinist government and the contra leaders and the extension of the truce for another 30 days until the end of June, which was unilaterally declared by the Nicaraguan Government, stresses Nicaragua's firm intention to contribute to the speedy implementation of the Guatemala peace program. The GDR will continue to support all efforts that are aimed at attaining a stable and lasting peace for the people in Central America. The unchanged, explosive situation in the Middle East fills us with concern. The uprising of the Palestinian people in the occupied territories, which has already lasted for months, illustrates the lack of perspective in the Israeli policy of force and proves the urgency of a political peace settlement in the Middle East. We view the calling of an international conference, under the aegis of the UN, and with the equal participation of all sides that are directly interested, including the PLO, as a real path toward this. An expression of the solidarity that the GDR grants to the struggle of the Palestinian people and to its work for a just peace in this area was the Fourth UN Regional European Seminar on the Palestinian Issue, which took place in Berlin in April.

The war between Iran and Iraq is bringing much suffering to the peoples of both countries and constantly threatens to escalate. In a talk with Iraqi Foreign Minister Tariq 'Aziz, Comrade Erich Honecker stressed that the GDR is in favor of settling the conflict quickly and peacefully, while taking into consideration the legitimate interests of both sides. The relevant decisions of the UN Security Council are a suitable basis for settling these military confrontations.

We welcome the initiatives of the Frontline States in southern Africa, as well as those of international organizations directed toward defusing the dangerous hotbed of conflict in southern Africa, which threatens world peace, and toward solutions in the interest of the people's peaceful development. The beginning of talks between representatives of Angola, Cuba, the United States, and South Africa can be a first concrete step on this path.

In the talk between Comrade Erich Honecker and Mozambican Foreign Minister Pascal Mocumbi, the interlocutors condemned South Africa's policy of destabilization and aggression toward the independent neighboring states. The GDR will continue to stand firmly at the side of the Mozambican people, support the struggle of the African National Congress against apartheid and for a democratic, nonracist South Africa, and support the struggle of the South-West African People's Organization for the independence of Namibia.

By further developing relations with the Popular Movement for the Liberation of Angola-Labor Party of Angola, the Zimbabwe African People's Union, the Mozambique Liberation Front, the South African Communist Party, the African National Congress, and the Workers Party of Ethiopia, our party continues its support for the forces of progress in southern Africa and the Horn of Africa.

The International Communist and Workers Movement Is an Influential Political and Ideological Power [subhead]

Dear comrades, we note with satisfaction that the relations of our party with communist, socialist, social democratic, and revolutionary democratic parties in capitalist countries, and the exchange of opinions and experiences with them have been further developed and deepened in recent times. This is, as Comrade Erich Honecker stressed in his interview for the LCY magazine KOMUNIST, of particular importance at a time when the parties are adjusting to the new problems and tasks which are a result of the thorough changes and new realities in the world. Our party believes that the most important concern of international cooperation lies in lending validity, in thought and deed, to the questions on which the survival and the security of other conditions for the existence of mankind depend.

It is a fact that the international communist and workers movement is an influential political and ideological power, which—in its history to date—has decisively changed the world within a short time. It works worldwide and is confronted with multifaceted and complicated conditions. It is exposed to massive anticommunist agitation from the electronic mass media and to a massive attack from the forces of neoconservatism.

In their endeavors to meet the requirements of their struggle, communist parties can count on the rich experience of struggle, great historical achievements, and on the fact that they are deeply rooted in the workers class, in the people of their countries. Because Marxism-Leninism is not a dogma, the communists are absolutely capable of examining their own experiences and achievements, of creatively developing their theory and policy in accordance with the lessons of history and with the changed demands and conditions, and of tackling new problems constructively. It was primarily from the communists that viable initiatives and proposals in the struggle for peaceful coexistence, detente, and disarmament originated in the past few years. The contacts between the parties and their comradely and trusting cooperation, and international solidarity continue to be an indispensable basis for successful action.

This purpose was served by Comrade Erich Honecker's meetings with Arvo Aalto, then chairman of the Communist Party of Finland; Jean Spielmann, general secretary of the Swiss Labor Party; Elli Iseboud, chairman of the Central Committee of the Netherlands Communist Party; PCF General Secretary George Marchais—during his state visit to France; Rodney Arismendi, general secretary of the Central Committee of the Communist Party of Uruguay; and Amath Dansokho, general secretary of the Central Committee of the Independence and Labor Party of Senegal. They reflected the far-reaching concurrence of views in basic questions of international development and the firm will to further strengthen solidarity and cooperation in the struggle for the common goals.

This concurrence was also expressed in the talks of leading comrades of our party with the representatives of other fraternal parties, including PCI General Secretary Alessandro Natta; Kharilaos Florakis, general secretary of the Communist Party of Greece; PCP General Secretary Alvaro Cunhal; Louis van Geyt, chairman of the Belgian Communist Party; Rene Urbany, chairman of the Communist Party of Luxembourg; Dimitris Khristofias, general secretary of the Restorative Party of the Working People of Cyprus; Lars Werner, chairman of Swedish Left Party Communists; Rolf Hagel, chairman of the Swedish Communist Workers Party; and Gus Hall, general secretary of the U.S. Communist Party.

During the period under review, the fraternal parties from capitalist countries sent eight delegations to the GDR for study purposes or consultations. The exchange of lecturers was continued with these parties.

SED delegations participated in the congresses of the PCE, the Canadian Communist Party, the Communist Party of Guadeloupe, and the Communist Party of Martinique.

At the invitation of EINHEIT, a meeting of chief editors of the theoretical and political magazines of the communist and workers parties from socialist and socialist-oriented countries took place in Berlin on 22 and 23 March, which was dedicated to the topic of "Socialism and the new stage of the scientific-technological revolution."

Questions of deepening international cooperation for peace and social progress were discussed at the conference of communist and workers parties in Prague on the work of the magazine PROBLEMS OF PEACE AND SOCIALISM, in which a delegation of our party participated, headed by Comrade Werner Jarowisnky. In his speech, Comrade Werner Jarowinsky explained our party's standpoint on the questions and proposals to strengthen the role of the magazine as a forum for the exchange of views and experiences and mutual information on topical questions of Marxist-Leninist theory and practice.

Comrades, during the period under review our party also continued to conduct the dialogue with socialist and social democratic parties.

It has been confirmed that communists and social democrats—despite continuing political and ideological divergences—find a common language in the question of war or peace, and acknowledge their responsibility to collaborate in the interests of safeguarding peace. Concurrent or similar views on the questions of disarmament, detente, and peaceful cooperation, in particular in Europe, were the result of the talks held by Hermann Axen with George Robertson, deputy foreign policy spokesman of the British Labour Party; by Kurt Hager with Bettino Craxi, secretary of the Italian Socialist Party; and by Erich Mueckenberger with a delegation of the parliamentary group of the Socialist Party of Finland, headed by its chairman Pertti Hietala.

At its third multilateral meeting on questions of safeguarding peace and cooperation in Europe, in Copenhagen in mid-February, in which representatives of our party, the BCP, the MSZMP, the Socialist Party of Denmark, the Flemish Socialist Party of Belgium, and the Netherlands Labor Party participated, the parties' joint responsibility for detente was stressed. Great interest existed in the International Meeting for Nuclear-Free Zones in Berlin in June.

SED delegations participated in the party congresses of the Spanish Socialist Workers Party and the Workers Party of Ireland.

On the occasion of the 40th anniversary of the founding of the Democratic Peasants' Party of Germany, Erich Honecker received leading representatives of peasant and centrist parties and peasant organizations and briefed them on the successful implementation of the SED's policy which is aimed at the welfare of the people and at safeguarding peace, and to which the parties and mass organizations united in the Democratic Bloc and in the GDR National Front make their own, steadily increasing contribution.

II. [Roman two] Shaping Socialism Is a Creative Process [chapter head]

Comrades, in his PRAVDA article on liberation day Comrade Erich Honecker writes: "In our time, the efforts of all socialist countries are aimed at applying Marxism-Leninism, the basis for their activities, even more effectively, in accordance with the national conditions. It is the task of each party to find—while being fully responsible to the people—solutions to the sociopolitical tasks of the respective country which best meet the specific conditions and requirements. This is also the most important contribution to strengthening socialism internationally."

The determining factor in our country's reality is the fact that the GDR is a stable socialist state with dynamically growing economy, science, education, and culture. We have made good progress—even in view of the complicated international situation and despite a steady influence on our GDR reality from the outside. We have achieved this progress through the joint efforts of the working people, in the steady struggle to make new things gain ground, in overcoming innumerable difficulties, and through the elimination of deficiencies and inadequacies.

Today more than ever, it is clearer how right the decisions since the Eighth SED Congress in 1971 were to consistently follow the path of comprehensive production intensification in order to ensure the unity of economic and social policy, to accelerate scientific-technological progress and make it economically effective, and to create a system of planning and management and economic accountability that corresponds to the demands of intensively expanded reproduction and the scientific-technological revolution.

The great changes and reforms accomplished since then have brought enormous results. Produced national income rose from M121.6 billion in 1970 to M261.2 billion in 1987, and industrial goods production increased from M248 billion to over M546 billion. In 1970, the net money income of the population was M79.4 billion, and in 1987 it was M156.5 billion. Since 1971, 12,840,549 apartments have been newly built or modernized. Thus, living conditions have been perceptibly improved for one citizen in two. These are indisputable facts. They confirm that we have no reason to strike the word success from our vocabulary. Many hundreds of thousands of GDR citizens expressed their agreement with this successful policy at this year's May Day rallies.

Naturally, the building of socialism is always, as all our experience shows, a step into new territory, a complicated process that requires the search for the best solutions in each case to new tasks and problems. As stipulated in the party program, shaping the developed socialist society is a process of fundamental changes in all areas of society. Just as changes are constantly taking place in reality, so our strategic concept of the developed socialist society is also never completed. We must continue to find new theoretical answers and practical solutions to life's complicated questions; this concerns answers and solutions that correspond equally to the general valid laws and characteristic features of socialism, and to the specific conditions and traditions of the GDR.

High Level of Performances on the Proven Course of the Unity of Economic and Social Policy [subhead]

During the period under review, the Politburo's work, in keeping with the resolutions of the 11th SED Congress, was also directed toward successfully continuing the course of the main task and toward consistently implementing the unity of economic and social policy as the core of the economic strategy. This course requires the energy and initiative of the working people in socialist competition.

In an atmosphere of confidence and alliance between the party and the people, the determination of the working people in the towns and throughout the country grows to fulfill the targets of the 1988 plan and the pledges that were assumed for its overfulfillment with the required quantity, range, quality, and value. Where this is possible from a material-technical viewpoint, new additional pledges were assumed. They are aimed at continuing to purposefully overfulfill the plan tasks concerning domestic supply, the strengthening of the material-technical basis of the national economy, and export. In accordance with our party's economic strategy, efforts are directed toward making another step in the new quality of economic growth, which is determined by the broad and efficient application of the key technologies.

In this spirit, the Central Committee seminar with the general managers of the combines and the party organizations of the SED Central Committee served the implementation of the tasks set by Erich Honecker in his speech to the first secretaries of the kreis leaderships. On the basis of a profound analysis and an extensive performance comparison, what has been achieved was realistically assessed. On the basis of the experiences of combines, such as the Carl Zeiss Combine in Jena, the Robotron Combine in Dresden, the Chemical Installation Construction Combine in Leipzig-Grimma, and the "Fritz Heckert" Machine Tool Combine in Karl-Marx-Stadt, further reserves were tapped for increasing labor productivity, efficiency, and quality. The pledges assumed in this respect were explained in detail in the letter to Comrade Erich Honecker, which was published.

The "FDJ Pledge GDR 40" is a revolutionary answer by the youth to the challenges of our time. Through its economic initiatives, youth is making an important contribution to the comprehensive fulfillment and product-related overfulfillment of the 1988 national economic plan. This includes targets such as the saving of 145 million hours of work time, the installation of 7,500 industrial robots, the procurement of M3 billion within the framework of the FDJ initiatives "Economical Use of Material" and "Economical Use of Energy," and attaining performances in the construction of scientific devices worth M15 million by students and young scientists.

The Politburo accepted a report on the "Youth Brigadier Meeting" on 9 April 1988 in Zeitz, and confirmed the conclusions drawn for the further promotion of youth brigadiers. The Zeitz meeting underlined how purposefully the nearly 45,000 youth brigades are continuing the great traditions of the young aktivists movement, how it contributes decisively to continuing the course of the main tasks through high achievements. Through close

teamwork with the FDJ youth research collectives, the initiatives are directed toward mastering the increasing challenges of the scientific-technological revolution.

Regarding the militant targets within the "FDJ Pledge GDR 40," 30 percent of this year's projects were realized by the time the "Youth Brigadier Meeting" took place. The ministers, general managers of the combines, the directors of enterprises and institutions, and the chairmen of the cooperatives should efficiently promote the initiatives of the young through well-organized production, explanation of plan tasks, regular information on progress in fulfilling the plan, and through various measures aimed at improving the training of the young. This includes the conclusion and renewal of brigade agreements with all youth brigadiers.

In the period under review, the Politburo analyzed the course and the results of the national economic plan in various ways. The required measures were taken for the fulfillment and, wherever this is possible from a material-technical point of view, the purposeful overfulfillment of the plan tasks. In evaluating the results achieved in the first 5 months of this year, the Politburo can state that our political strategy is more and more becoming the practice in economic life. This is proven by impressive results. Thus, produced national income rose 4 percent by the end of May. The increase in performance has again been brought about to the full extent by increased labor productivity, which results from intensively expanded reproduction of the national economy. In the national economy as a whole, this was accompanied by a decreasing specific production consumption. For this, industry provided the decisive contribution. The net product in the sphere of industry rose 4.6 percent. Net production and labor productivity each increased by 8 percent in the sphere of the industrial ministries. Costs were reduced by 1.7 percent. In industrial goods production an increase of 4 percent was achieved.

There are varying contributions to this result by the ministries' spheres. With a share of 13.6 percent, the chemical industry reached a good result in contributing to the increase in net production; the electrical engineering and electronics industry contributed 13.3 percent; the coal and energy industry, 8.1 percent; ore mining, metallurgy, and potash achieved an increase of 3.4 percent; general machinery, agricultural machinery, and vehicle construction achieved a growth of 5.9 percent; and light industry, an increase of 6.2 percent. What is required in these spheres are more vigorous efforts concerning economic-political guidance in the industrial sphere and the further successful implementation of the resolutions of the 11th SED Congress. The goals are an increase in the growth of distributable final products for domestic supply, for the material-technical supply to production, and for exports, and an increase in the share of the net product of the branch of industry as a contribution to the national income.

Of 126 centrally-managed combines in industry, 120 have fulfilled or exceeded the plan for industrial goods production, and 119 have fulfilled or exceeded the planned net production. The combines that have reliably fulfilled all main quality indicators of the performance evaluation regarding the state plan positions include the installation construction brown coal combine in Regis, the agrochemical combine in Piesteritz, the electronic component parts combine in Teltow, the "Hermann Matern" strip steel combine in Eisenhuettenstadt, the plate glass combine in Torgau, and the "7 October" machine tool combine in Berlin.

In some combines the production targets were not completely achieved by the end of May. These include the synthetic fiber combine in Schwarza, the ceramic works in Hermsdorf, and the "Friedrich Ebert" electrical apparatus plant in Berlin. In the interest of the national economy, it is necessary that the ministers and general managers step up their efforts to increase the contribution of their ministries and combines to achieving the highest possible available national income and to conscientiously fulfilling all plan tasks in a steady and product-related manner, according to schedule.

The Politburo adopted measures to ensure the development of performance and efficiency in the shipbuilding combine in Rostock, the Industrial Association for Motor Vehicle Construction (IFA) commercial vehicles in Ludwigsfelde, and the "Herbert Wanke" metal-forming technology combine. They aim at tapping further performance reserves by means of the combines' strength on the path of intensification. Even closer links are to be established between science and production, and the potential of the key technologies is to be utilized in a more efficient manner.

In this connection, the Politburo members stressed the task of creating the preconditions for ensuring the fulfillment in all combines of the increasing demands regarding performance and efficiency with the available number of working people, through the application of highly productive technological equipment in shift operation, the more efficient use of the potentials of one's own in-house production of rationalization means, and above all through the proven Schwedt initiative. This task must receive more attention in the ideopolitical work of the parties.

As in industry, the other spheres of the national economy have fully contributed to the dynamic growth in performance. In the construction sector, production plans as a whole were exceeded by the end of May. Production in the field of construction rose 3.7 percent. Net production increased by 5.4 percent, with labor productivity rising 6.1 percent. The growth of the net product in the construction sector as a contribution to increasing national income was 4.7 percent. The plan for production in the construction sector was fulfilled 100.4 percent

by the combines in the sector of industrial construction, whose work was of great importance for the complete realization of the set performance and efficiency targets from investments.

Cooperative peasants and workers in agriculture exceeded the plan for state procurements by the end of May for slaughter animals, milk, and eggs. In the case of milk, an increase of 0.8 percent was achieved and in the case of eggs an increase of 2.9 percent. Generally higher production performances per animal are coupled with greater efforts to ensure stability with regard to livestock.

The working people in the forestry sector produced 4.4 million cubic meters of rough timber by the end of May, thus exceeding the plan 104.3 percent. Great damage was inflicted this spring by numerous forest fires. Most of them were caused by carelessness. It is necessary to increase order and security in the forests. This requires the participation of all citizens.

Concerning leadership activities, emphasis is to be laid on increasing the contribution of agriculture to national income, particularly by reducing production consumption.

In the transportation sector, the transportation requirements of the national economy have been realized. A total of 6.5 percent more goods were transported than in the same period last year. Concerning the electrification of the railroads, the sections Angermuende-Pasewalk, Brieske-Hohenbocka-Knappenrode, Oderbruecke Frankfurt (Oder)-GDR border and Wilenberg-Sprotta were put into operation. The contribution of the railroad sector to the national income is 8 percent in the first 5 months.

In the posts and telecommunications sector, the planned achievements were fulfilled 102.2 percent. The increase in performance was 3.7 percent, with the increase in the telephone and teletyping sector amounting to 5.4 percent. In the sphere of posts and telecommunications, the growth of the net product as a contribution to increasing national income in the first 5 months was 3.7 percent.

In the initiative "Return of Funds to the State—Contribution to National Income," considerable results were again achieved. By the end of May, combines in industry and the construction and transportation sectors had given back energy resources, raw materials and other materials, and financial funds worth M421 million directly to the state. This includes 42,323 megawatthours of electrical energy, 53,470 tonnes of raw brown coal, and 12,884 tonnes of brown coal briquettes.

There are differences in the work of the combines. Good results in this sphere were achieved by the "Wilhelm Pieck" synthetic fiber combine in Schwarza, the potash combine in Sonderhausen, the Industrial Association for Motor Vehicle Construction (IFA) commercial vehicles in Ludwigsfelde, the chemical installation construction combine in Leipzig-Grimma, and the plastics and elastomer processing combine in Berlin. A number of combines have returned no assets whatsoever.

The Politburo's efforts are aimed at using and expanding this initiative as a contribution to national income in all spheres of material production and in social institutions. Here, a considerable reserve can be tapped for the use of final products for tasks set by the plan and for its purposeful overfulfillment. In the ideopolitical work of the party organizations, great attention must be devoted to this. The successful activity of the GDR State Bank in this sphere must be purposefully continued.

Comrades, great achievements have been attained in fighting the flood and in ensuring a stable energy supply.

Intensive precipitation, which was twice as heavy as normally, and the melting of large masses of snow in the Mittelgebirge mountains led to the highest April water levels of the Saale and Elbe Rivers since the founding of the republic. The rivers carried water quantities such as occur only every 75 to 100 years, according to statistics.

The system of preventive flood protection, which was established and expanded during the years of our republic's existence, has stood the test in an excellent manner. Thus, flooding was generally overcome without a major impact on the national economy and without harm to the population. In evaluating the performances and the experience that was gained, measures designed to further improve the flood protection system will be taken.

The Politburo and the Council of State conveyed thanks and appreciation to all citizens who attained extraordinary performances in the fight against flooding. This concerns the working people of the water economy, the members of the National People's Army and Border Troops, of Civil Defense, the People's Police, and fire brigades, the cooperative peasants, amelioration and forestry workers, as well as the numerous voluntary helpers from the towns and villages.

The achievements of the managers, workers, and employees in open-pit brown coal mining also deserve great respect. Great efforts were necessary to clear tracks and conveying systems of mud to ensure a stable output. In this, the miners were strongly supported by additional workers from their own sphere and from enterprises, cooperatives, universities, and technical schools, as well as from the armed forces. This helped to ensure the supply of brown coal to the consumers and to the national economy, and the supply of electric power to the population.

Securing a High Performance Growth Concerning the State Plan Positions and Investments [subhead]

In the period under review, the Politburo devoted great attention to the material positions of the plan, which are of particular economic importance and must therefore

be centrally planned, and a central balance sheet must be drawn up. It adopted basic resolutions to secure the fulfillment of the state plan positions, which yielded the first results in handling these balance sheets. The ministers are obliged to guide the struggle for the reliable fulfillment of the positions that are decisive for ensuring a good supply to the population and to the economy, and for solving the export tasks in a way that produces more results.

This includes profound analytical work and, as a result, the solving of unforeseen problems. If necessary, a respective decision must be taken by the Council of Ministers in good time. It is important that the directors and the members of the State Planning Commission, the ministers, the general managers of the combines, and the working people fully assume their responsibility. It is also required that the party organizations increase their active ideopolitical influence and party control over these important positions of the plan.

In close connection with the struggle to fulfill the state plan positions, measures were adopted to increase the in-house production of economically important subcontractor products. Long-term stable solutions are to be found for the balanced development of final and subcontractor production. This is of fundamental significance for stable production growth and the securing of consistency in the production process. This is particularly true for subcontractor products of the electrical engineering and electronics industry, such as electric motors for the pump industry and household appliances.

In the sphere of the Ministry of the Construction of General Machinery, Agricultural Machinery, and Vehicles, this concerns particularly the castings for vehicle construction and spare parts. A significant place in the work of the Politburo was occupied by events in investment. By the end of May, in the spheres of industry, the construction sector, transportation, posts and telecommunications, environmental protection, and the water economy, investments worth M17.2 billion had been realized. In industry alone, through investments, a production increase of M6 billion was achieved, compared to the same period last year.

In a number of economically significant investment projects, the construction tasks were fulfilled according to schedule. However, in connection with the plan fulfillment, the Politburo had to issue statements to ensure that all projects are completed according to schedule and with the required quality, and that the finished products, as stipulated in the plan, are provided on a timely basis. Criticism must be expressed because of insufficient results in this sphere. Conclusions must be drawn from this by the ministers and general managers in preparing investment projects and by the construction minister in organizing the work in his ministry. Particularly in the construction and assembly combines of Magdeburg, Erfurt, and Frankfurt, in the light metal combine in Leipzig, and in the special hydraulic engineering construction combine in Weimar, measures are to be adopted to further increase performance and to ensure that all planned projects are completed according to schedule and with high quality.

In accordance with the significance of the investments to ensure the planned increase in performance and efficiency, and the reliable fulfillment of the plan tasks, particularly in the state plan positions, their unconditional completion is to be viewed as the supreme obligation of all responsible managers and to be ensured by the Council of Ministers.

All experience gained in leadership and planning activities shows that the realization of the investment projects according to schedule clearly depends on their qualified and timely preparation. This concerns both ensuring the required scientific-technological and conceptual lead and the elaboration of construction-related and technological solutions that meet the highest demands regarding economic efficiency. At the same time, these are indispensable preconditions for being able to decide at an early stage and in a concrete manner whether the projects will be included in the plan, to draw up a balance sheet for the construction performances and equipment, and to ensure that the planned expenditure is not exceeded and that the required efficiency of the projects is obtained.

The Politburo stresses that state discipline must be accompanied by having the works managers, general managers, and ministers include stipulated performance and efficiency targets of basic decisions in the annual economic plans. These results must be reliable positions in the states' balance sheets. This is an important precondition for ensuring economic intertwining in a reliable manner. The measures, aimed at obtaining means by self-financing, which are to be continued, are to be directed toward this aim. These measures serve to better coordinate the performances of the national economy with the availability of assets.

Important conclusions for the entire range of investment activities were drawn in the candid and cordial dialogue that Comrade Erich Honecker conducted with working people of the VEB "Friedrich Engels" synthetic fiber works in Premnitz on the occasion of the start-up of the Wolpryla plant. Convincing proof was furnished there that, by establishing close links between science and technology, technologies that determine international standards can be applied in production within a short period of time.

Premnitz showed what can be achieved through joint action when working people from various spheres of the national economy who participate in investment projects struggle in a responsible, purposeful manner, and according to coordinated plans in order to complete such a complicated and large production plant within a short time. Premnitz also demonstrated how, in our

state-owned combines and enterprises, significant measures aimed at socialist rationalization are linked with an improvement in the working and living conditions in production and in the regions, and nobody must fear that he will lose his job. And Premnitz taught us that the preparations and qualification of the working people on a timely basis and the utilization of their experiences guarantee the rapid and lasting fulfillment of the quality indicators, trouble-free production, and thus, high efficiency.

In honor of the 40th anniversary of the founding of the GDR, 59 selected investment projects are to be put into practice. These include projects for the widespread application of key technologies, the modernization of basic assets, the rationalization of production, as well as the strengthening of the material-technical basis of subcontractor production. They also include important projects in consumer goods production and to improve the people's working and living conditions. Their realization according to plan is a task of high political and economic significance. Therefore, the competition initiatives in preparation of the 40th anniversary are to be aimed at efficient implementation, putting them into service on time, and quickly reaching the performance parameters that have been set for them. The Politburo orders the party organization of the investing enterprises, the construction enterprises, and those delivering equipment to take these projects under party control.

Increasing the Contribution of Science and Technology to a High National Income [subhead]

In close connection with investment activities, the discussions of the Politburo dealt extensively with measures to raise the contribution of science and technology to the growth of the national income. We can report to the Central Committee that, by the end of May, 47 percent of the application-oriented tasks envisaged in the 1988 science and technology state plan had been fulfilled. This result reflects the fact that the task which has been set by our party for achieving top-level performances in record times is being successfully fulfilled in more and more combines.

One of the top-level scientific-technological achievements already introduced into production in 1988 is the FMS P 500/1-2 flexible machinery system of the "Fritz Heckert" machine tool combine, Karl-Marx-Stadt, which was developed by a youth research collective. It makes it possible to raise labor productivity to almost four times its original level, to reduce manufacturing costs by 30 percent, to cut processing time for pieces of work by 60 percent, and to improve the ratio of mass to performance.

Similar outstanding results are being applied in the form of the new generation of asynchronous engines of the electrical machinery building combine and the new microelectronically controlled high-performance packing machines of the foodstuffs, fancy foodstuffs, and packing machines (Nagema) combine. These new developments meet the requirement posed for top achievements by causing a quick increase in labor productivity, giving rise to the tangibly increasing efficiency of our economy, and strengthening our positions on world markets. The tasks set by the plan with regard to domestic production of key technologies are being purposefully fulfilled with the required quality and quantity. Already in 1986 and 1987, about 80,200 computers from domestic production were made available to the national economy. By the end of May, 22,440 computers were added to these. To date in 1988, the number of CAD/CAM workstations has been increased by another 6,000 to a total of 49,000.

The production increase by the end of May in monolithically integrated circuits amounted to 41 percent; in optical-fiber cables, to 15 percent; and in special technical equipment for the production of active semiconductor elements, to 22 percent. A total of 33,649 more memory units for computer technology and 11,839 more printers were produced than during the same period last year.

We do not overlook the fact that the demand for electronic component parts is increasing more rapidly than production. The Politburo has decided on the necessary measures in order to eliminate bottlenecks and to guarantee a steady supply of the most important consumer goods, computer and writing technology, and information and automation technology. They are aimed at ensuring the material-technical conditions for rapidly increasing production in the sphere of the Ministry of Electrical Engineering and Electronics.

The priority issue is the expansion and even better utilization of domestic production. This also concerns guaranteeing the required supply of contact components and loudspeakers. Negotiations with the USSR and the CSSR to realize imports of electronic component parts with the contractually agreed scope are to be continued.

The use of industrial robots is being considerably increased. During the first 5 months of this year, 5,000 industrial robots were added. Their total number thus increased to 83,000. In this sector, too, the qualitative improvements are important, in order to further improve the scientific-technological standard and the flexibility of robot use, in particular through the application of sensor technology. This will contribute to gaining further labor for other, urgent tasks in the national economy.

The Politburo stresses that organizing multi-shift work is of particular importance for the economic results of applying industrial robots and CAD/CAM technology. Wherever managers—in close cooperation with the trade unions and the FDJ—are organizing all material-technical, organizational, and managerial preconditions which have to be linked with good working conditions for multi-shift work, robots and CAD/CAM technology

are being utilized many hours per day with high economic results. This concerns, for instance, combines such as the Schwarza "Wilhelm Pieck" chemical fiber combine, Piesteritz agrochemistry, the Brandenburg quality and special steel combine, the Eisenhuettenstadt "Hermann Matern" strip steel Combine, Erfurt microelectronics, and the Hennigsdorf "Hans Beimler" locomotive construction and electrotechnical plant.

Wherever there are still backlogs in shift work, where more labor is demanded, instead of applying the Schwedt method—labor that is, as is known, not available in the national economy—it is necessary to use these potential reserves more intensively for a higher performance. This is true, for instance, for combines such as Plauen Deko, Schwerin leather goods, Loessnitz outer wear, Schmalkalden sports equipment, and the Suhl furniture combine, where modern key technology is being insufficiently utilized. The Politburo orders the party organizations, in close cooperation with the trade union organizations, to attach special importance to multi-shift work.

In the GDR, the speedy quantitative and qualitative expansion of the production of key technologies provides us with solid starting positions and potential opportunities to continue the process of comprehensive intensification on a lasting basis and with increasing economic results. At the same time there are growing demands on the quality of the management work of ministers, directors general, and enterprise heads, and on the ideopolitical work of the party organizations, in order to use these important achievements with great efficiency everywhere.

In GDR machine-building, in particular, it is necessary to achieve leading positions in science and technology in ever closer connection with electronics and in its economic utilization. This includes a market-oriented production volume and the cutting of costs. This is the most important task in implementing the guideline provided by Comrade Erich Honecker—that is, that in trade with the nonsocialist economic area and the socialist economic area M1 has to be worth M1. A tangible increase in quality is an indispensable condition for the even greater success of products on the market and for the advance of intensification.

At the conference with the kreis first secretaries, Comrade Erich Honecker explained in detail that the decisive breakthrough in the field of quality still lies ahead of us. At the same time, he pointed out how quality has to be achieved. In this spirit, it is necessary to ensure everywhere a working atmosphere that is characterized by the struggle for top quality and that strengthens in all working people the personal sense of responsibility for conscientious and reliable quality work. This includes an even more consistent reduction in the expenditures for substandard products and refinishing work, which are still too high. The initiative in the socialist competition that strives for flawless production deserves all possible promotion.

In connection with the preparation of the 1989 plan, the Politburo has analyzed the development of the increase in national income in its interrelationship with the use of material and financial means for science and technology. This analysis showed that the results in the individual fields of the national economy are different. In general, it is necessary to further increase the economic benefit of the considerable means that are used for science and technology.

In the race against time, it is now more important than ever to use the great intellectual and material potentials of our country in a purposeful way to achieve top-level performances and to reach high economic and social results in this way.

The organic connection of science and production is of strategic importance. Here it is necessary to make science effective as a productive force. There are a number of good examples of that. The Academy of Sciences, for instance, is closely cooperating—on the basis of economic contracts—with the VEB Carl Zeiss Jena combine, the VEB petrochemical combine, Schwedt, and numerous other combines. The nine science-production teams that were founded in Karl-Marx-Stadt Bezirk in 1987 are remarkable. They are to be developed into efficient centers where top experts and the top technologies of universities, academic institutes, and combines unite to safeguard the lead in research and education.

This comprehensive approach also characterizes the work of the "Computer Integrated Manufacturing" cooperation association, which was formed at the initiative of the Dresden Bezirk leadership by the technical universities of Dresden, Karl-Marx-Stadt, and Magdeburg, and by 10 combines from machine-building and electrical engineering/electronics. This is a qualitatively higher form of cooperation, which goes beyond the borders of combines, universities, and bezirke.

Scientists and their partners in practical work are of the opinion that a new stage in cooperation is reached when the goals and main directions are determined on a long-time basis and are continually checked and detailed in line with international trends in development.

Comprehensive intensification of the national economy through science and the intensive development of science itself require an orientation toward high technologies and their scientific bases, as was decided by the Politburo resolution of 26 April 1988, for instance, concerning further scientific work in the field of high-temperature superconductors.

In investigative basic research, which is directed toward exploring scientific effects and discovering effective principles, research results that live up to international standards were presented in specific fields. The potential used for a long-term lead must not be permitted to be cut. On the contrary. Even greater initiatives for the standard, scope, and concentration of personnel and material-technical capacities are necessary to meet the requirements of the nineties.

Not all science-production relations are yet based on this premise. Not all combines have already recognized the need for their own basic research in line with their specific conditions, in order to fully use the opportunities provided by research cooperation with the academy and university institutions. Often the combines limit this cooperation to single research tasks. On the other hand, there are more than a few scientific institutions that have insufficient understanding for the requirements of basic research because of their one-sided orientation toward applied research and development.

Therefore, when discussing the plan it is necessary that the party organizations and the managers of scientific institutions—in close cooperation with the economic branches and the combines, and on the basis of coordinated long-term science and technology concepts—take into consideration projects that are aimed at new technical processes and goods with which breakthroughs of international rank and economic consequence can really be achieved. In this connection, the use, according to plan, of all interdisciplinary potentials of the academy institutes and universities is important, which, in addition to scientific and engineering aspects, increasingly requires cooperation with the social sciences in order to recognize and take into consideration from the very start the economic, social, and other connections, conditions, and effects of scientific-technological progress.

We should be aware that the material-technical basis of science and education always has to be developed in harmony with national economic requirements on proportionality.

Securing a Stable Fuel and Energy Supply in Winter 1988-89 [subhead]

In a directive the Politburo decided on all measures necessary for a secure supply of energy and fuel to the population and the economy at any time and under any conditions next winter.

A decisive condition for securing the energy supply to the national economy is and remains the rational and economical use of energy sources. This includes the accelerated application of energy-saving innovations. Observing and possibly undercutting the norms and quotas of specific unit input is of great importance.

Proceeding from the reliable fulfillment and overfulfillment to date of the planned production of raw brown coal, electricity, sifted coal, and briquettes, the efforts to increase coal production in open-pit mining are to be intensified. The enterprises, institutions, and regions are faced with the task of ensuring in time the storage of supplies of solid fuels for winter and to guarantee secure storage without losses, which preserves fuel quality.

In addition, it is necessary to carry out completely and with the required quality the planned repairs and reconstruction measures in power plants, enterprises of the brown coal industry, electricity transmission networks, gas production, and gas supply systems, in order to guarantee the highest possible stability, and a secure supply and availability in winter. In particular, the stability of open-pit lignite mines under extreme weather conditions, and especially in the Leipzig production area, is to be further raised.

For a secure energy and fuel supply, the punctual putting into service and high capacity of the planned new facilities is of great importance. This especially applies to the additional facilities for lignite production in the open-pit mines of Reichwalde, Seese-Ost, Klettwitz-Nord, and Witznitz, to putting into service unit five of the Lubmin nuclear power plant and unit six in the Jeanschwalde power plant for electricity generation, and to expanding the facilities for subterranean gas storage.

The Politburo stresses the necessity to pursue even more consistently the struggle to avoid down-time, breakdowns, and fires. In the facilities of the energy sector it is necessary to further increase the personal responsibility of each manager and each working person for the orderly technical process.

In this connection, the Politburo orders the ministers, directors general, enterprise heads, and the heads of all facilities to further increase the economical use of energy as one of the decisive reserves for the reduction of production input and thus for the growth of the national income. With this, it is necessary to draw consequences everywhere in the national economy in order to tap the existing reserves. Discipline and order are of particular importance in this field. In view of the domestic expenditures of the national economy for the production of energy sources and their import, the economical use of energy is an economic reserve of supreme importance for the growth of the GDR's national income.

On Performance Increase in Agriculture [subhead]

Comrades, the cooperative peasants and workers in agriculture, forestry, and the foodstuffs industry have thoroughly worked out and discussed the annual plans and the competition programs for 1988. They consistently continue the implementation of the decisions of the 11th SED Congress and the 13th Peasants Congress.

At the annual general meeting of the cooperatives and in the accountability reports of the state-owned enterprises of agriculture, forestry, and the foodstuffs industry, the willingness to strengthen socialism and peace through high performances was clearly visible. More peasants and workers from direct production than ever before presented their experiences and proposals. What is important is the fact that in agriculture, too, the working people at their workplace are tackling the scientific-technological requirements of comprehensive intensification.

At the decision of the Politburo, a central conference of the Central Committee and the Council of Ministers with leadership cadres and practical workers of agriculture, forestry, and the foodstuffs industry took place in March. It expressed unanimous support for the targets set by the party and for the ways and means of their implementation.

The great competitive energy of the cooperative peasants and workers characterized the course of spring cultivation. The late start of spring and the delay due to above-average humidity in the fields and to floods called for haste. It was necessary to conscientiously take into consideration local conditions and to carry out one's work with high quality.

On the basis of the decision of the Central Committee Secretariat on the measures to prepare and carry out spring cultivation and maintenance work, the cooperative peasants and workers have done well in this year's cultivation. Work made smooth progress. Stock management gained more ground. The division of nitrogen dosages and plant protection, as well as measures for process control are being implemented in the crop production enterprises in line with scientific recommendations and on the basis of plot-specific analysis.

Extraordinary efforts are necessary to keep the effects of the long drought period and the frost in April and May as low as possibly by means of continued careful and industrious work in the fields. For this purpose, it is necessary to perform stock management exactly and to tap all additional possibilities of fodder production. This also applies to expanded cultivation of catch crops as fodder, which should take place immediately after the grain harvest.

All decisions have to be made on site together with the cooperative peasants, the workers of socialist agriculture, and the scientists.

Today, the majority of LPG's and state-owned farms are already characterized by the establishment of working groups for science and technology, the work with maximum-yield and maximum-performance concepts, the start of maximum-yield experiments, and the use of computers to secure work processes. Science and practical work have come close together in agriculture.

This also became clear at the seventh congress of the GDR Society for Agricultural Sciences in Suhl in April. Scientific experiments and tests and the systematic and speedy introduction of scientific results into practice in order to raise yields and performances have become an urgent concern of scientifically trained cadres. The bezirk and kreis leaderships should continue to promote this process of the cadres' turning toward science and should also incorporate the young people even better into this. By means of regional rationalization, the experiences in the use of microelectronics to control machinery and equipment are to be transferred to agriculture. This is precisely what should make important progress in raising labor productivity and efficiency possible.

A key question for the contribution of agriculture to the national economic growth remains the priority increase of crop production. In particular, the increase in the yield of grain, potatoes, sugar beets, fruit, and fodder considerably determines the economical nature of the entire branch and also the possibility of correlated targeting in the national economy. Sufficient production of humus, high quality in all field and crop cultivation work, utmost accuracy and punctuality in all work processes, far-reaching adjustment to the natural process, and ensuring that the production process is easily understood by all working people—these are factors that contribute to intensification and which have to be applied in a comprehensive and balanced way.

In the wake of the possibilities of microelectronics and biotechnology, a higher level of mastering natural and economic process is now being introduced. This is a way of making comprehensive intensification durable.

Performance increase per animal must be based mainly on improving fodder quality and on the continuous supply of fodder in line with demand and with the appropriate structure. This requires a constant animal stock. The participants in the central conference pointed out that it is becoming more and more urgent to create conditions for further raising the labor productivity and for improving the working conditions of the herdsmen. Rationalization and modernization should also affect small animal-sheds, whose building substance is worth being preserved and can be further used. First of all, industry and the agriculture's in-house production of rationalization equipment have to manufacture and supply in greater numbers appropriate mechanization means for the initial mechanization of these animal-sheds.

The LPG's and state-owned farms should even more energetically confront the increasing demand for all varieties of fresh fruit and vegetables. Deficiencies in reproduction of fruit cultures according to plan and in the necessary performance development of tree nurseries are to be overcome. More is to be done to supply more

fresh vegetables during the first half of the year. For this purpose, much greater numbers of young plants for early vegetable production are to be supplied to small-scale producers.

Increasing procurement and a rising demand pose high demands on the processing of animal products with regard to meat and fat cheese. The Politburo proceeds from the premise that no cuts in the broad daily basic range of goods must be permitted. The demand for highly-refined high-quality products is to be increasingly met. This is also the aim of comprehensive modernization measures in the meat, milk, cooling, and stock management sectors. The state and economic management organs in the bezirke and kreise have to pay even more attention to the implementation of these measures. The supplies of subcontractor products from industrial enterprises, which have been determined by central decisions, are to be consistently provided.

During the period under review, our country's forestry completely fulfilled the plan targets. The care for young and middle-aged trees and the protection of forests are increasingly becoming the focal points of work. Proceeding from previous experiences, the Politburo has decided on comprehensive measures for 1988, in particular to revitalize forests that have suffered environmental damage.

The Politburo has confirmed measures to further develop and supply high-quality agrochemicals and other chemical products to increase performance and efficiency in socialist agriculture, and to supply agricultural raw materials for refinement processes in the chemical industry through 1990 and afterwards.

As the party leadership has repeatedly stressed, the qualitative and quantitative improvement of agricultural technology is of great importance for a dynamic increase in performance and efficiency. At the annual general meetings, in the accountability reports, and at the central conference, the cooperative peasants and workers expressed their hope that the agricultural machinery industry and the subcontractor industry will fulfill their tasks for agriculture according to plan.

A higher contribution to the reproduction of basic assets through rationalization and modernization has to be made, and for this purpose a faster increase in labor productivity has to be organized. The tasks and solutions necessary for this are to be set down at a central conference with leadership cadres and practical workers of the sector responsible for technical advance performances [vorleistungen] in agriculture, forestry, and the foodstuffs industry.

The varied forms of cooperative joint work in agriculture are gaining even greater importance for efficient management. The public discussion on the draft of the model statute for cooperative institutions of the LPG's and state-owned farms has deepened mutual relations between the support enterprises and the inter-enterprise building and amelioration enterprises, the agrochemical centers, and other facilities. The goal, that is, the acceleration of the intensification process in primary production, is now more at the center of the work of the assemblies of representatives. The Politburo has assessed the discussion on the draft statute as an expression of our socialist democracy and has approved the proposals for the final adoption of the model statute. The kreis and bezirk leaderships should exert political influence so that the targets set by these statutes are fulfilled in all cooperative institutions.

Reserves also exist in vertical cooperation between agriculture, processing, and trade, in particular due to coordinated activities in the production chain and the branch-specific implementation of measures for scientific-technological progress. In evaluating the experiences gained by many effective cooperation associations, the Politburo confirmed the draft of a skeleton cooperation agreement for this form of cooperation and recommended discussing it with the cooperative peasants and workers before it is passed.

In order to prepare and carry out the grain and root crops harvest and autumn work, we request that quality and speed be guaranteed through good organization of harvest work in order to avoid losses, but also to create the conditions for good harvests in the next years through quick recultivation and farming measures.

The Sixth Congress of the Union of Small Gardeners, Settlers, and Small Livestock Breeders took place in Dresden in April. In the view of the Central Committee Secretariat, the fact that this social organization has grown by 271,000 to more than 1.4 million members since its fifth congress in 1982 also reflects the effect of the party's social policy. More leisure time and the opportunities available to use it meaningfully make workers in particular join this union. The decision of the 11th SED Congress to establish 150,000 new small gardens and state subsidies to individual production as a useful supplement to social production are a basis for this development. They set new political, ideological, and organizational tasks for the Union of Small Gardeners, Settlers, and Small Livestock Breeders. This was taken into consideration by the decisions of the sixth union conference.

The Central Committee Secretariat confirmed the directive on preparing the elections and the eighth central delegates' conference of the Peasants' Mutual Aid Association in May 1989. The directive proceeds from the fact that 88.7 percent of the cooperative peasants now belong to this mass organization. With its 637,000 members it constitutes an important social power, which participates to a considerable degree in shaping the political life of our republic, in particular in the villages, and implements important economic initiatives. In the process of preparing and holding the elections, the party's bezirk and kreis leaderships should support the

Peasants' Mutual Aid Association in developing the political work in the villages and in promoting the initiatives of its members in the socialist competition. Particular attention should be paid to the efforts of the Peasants' Mutual Aid Association to use its means and forces in the further shaping of the villages so that they become even more beautiful, comfortable, and attractive with regard to culture and sports.

The Increasing Economic Capacity Made Further Social Progress Possible [subhead]

In line with the unity of economic and social policy, the increased economic capacity was used to further improve the life of our country's citizens. The Politburo stresses the successful and speedy continuation of the housing program at the core of our social policy as clear evidence of this. During the first months of this year successful work was done to fulfill the historic task of solving the housing question as a social problem in the GDR by 1990. By the end of May, a total of 85,774 apartments had been newly built or modernized. With this, housing conditions for another 257,000 citizens have improved to date this year. The appurtenant planned communal facilities have also been completed. By the end of May, 567 class rooms, 7,463 kindergarten and nursery places, 32 school gymnasiums, as well as 1,522 places in old-age homes and nursing homes and 162 workplaces for doctors had been put into service. The fact that building repairs in the housing sector experienced a performance increase of 4.1 percent and that the plan in this sector was exceeded by M27 million is of great importance for better preserving the building stock.

The majority of the bezirke and kreise fulfilled the tasks in housing construction and in completing communal facilities. In the bezirke of Rostock and Frankfurt, efforts have to be increased to ensure that the planned communal facilities are handed over for use punctually and at the required locations. This is also necessary in a number of kreise so that backlogs in building repairs for apartments will be eliminated within a short period. These kreise include Rostock City Kreis, the kreise of Bishofswerda and Gotha, and the city districts of Marzahn and Treptow in the capital city of Berlin. The Politburo points out the responsibility of the chairman of the bezirk and kreis councils, of the mayors, and of the responsible leaders of the party organizations to pay due attention to the maintenance and modernization of apartment buildings in all cities and kreise, and to more intensively tap regional performance reserves for this purpose.

At the conference with the first secretaries of the kreis leaderships, Comrade Erich Honecker substantiated the necessity of and explained the ways in which the planned means and funds can best be used to achieve the most favorable input-output ratio everywhere, in order to further increase the social effectiveness of housing construction.

The measures decided by the Central Committee Secretariat for the development of the capital city in 1988 and through 1990 are a great demand on continuing the "Berlin FDJ Initiative" with great efficiency, productivity, quality, and punctuality. This year the young Berlin construction workers and the FDJ delegates from all bezirke are realizing 160 construction and investment projects as youth projects. Youth assembly lines and youth brigades are building and modernizing 15,000 apartments. The focal points continue to be housing construction and the concentrated continuation of construction at the Friedrichstrasse/Otto-Grotewohl-Strasse investment complex. Measures have been implemented to raise the proportion of urban construction, including the construction of substitute buildings to improve older residential areas.

In the meantime, the secretariats of the SED bezirk leaderships have set down the necessary measures to realize construction tasks planned until 1990 in the capital city. We are convinced that the construction collectives from all bezirke of the republic, in particular the young people, will continue to honorably fulfill this politically important assignment.

The Politburo dealt with the further implementation of the housing program in Leipzig in the 1988-90 period. Proceeding from the considerable progress also achieved in Leipzig in solving the housing question as a social problem, measures have been decided to concentrate housing construction more intensively on urban areas. It was especially pointed out to the chairman of the Bezirk council and the mayor that what is necessary is, in particular, the further qualitative improvement of the housing stock with visible results in beautifying the city's outward appearance. Solving these tasks demands that the bezirk and city councils tap and use the performance and efficiency reserves in the Leipzig Bezirk construction sector to an even higher degree.

On the basis of increasing performance in production, net personal earnings of the population rose by 4.1 percent by the end of May compared with the same period last year. Retail trade turnover went up 5.4 percent.

The Politburo pays tribute to the initiatives of bezirk leaderships, proceeding from the initiative of the Karl-Marx-Stadt Bezirk leadership for additional production of consumer goods by tapping their own reserves. They have contributed to the fact that by the end of May goods worth M915 million more than envisaged by the plan could be offered to the population. Certain wishes for products in high demand were fulfilled more quickly. This is particularly reflected in the 7.9-percent increase in industrial goods turnover. Thus, sales of furniture, fancy goods, and sports equipment rose by 7.7 percent, those of household and expendable household goods by 7.4 percent, those of household chemical products by 8.5 percent, those of shoes and leather goods by 8.3 percent, and those of textile goods by 6.9 percent.

In this connection, one has to stress the achievements of combines such as the Wolfen photochemical combine, the Teltow electronic component parts combine, the Robotron combine, the Berlin and Erfurt outer wear combines, the Schmalkalden sports equipment combine, and the bezirk-administered Berlin camping and artisan products combine, which reached growth rates of more than 15 percent in the production of finished goods for the population.

Today and in the future the people's increasing personal earnings are linked with the requirements posed on the supply of new high-quality consumer goods in quantities that meet the demand. By the end of May, newly developed consumer goods worth M9.4 billion were made available to the population. The corresponding achievements deserve respect. At the same time it is necessary to further increase the efforts to integrate microelectronics into the newly developed consumer goods to a considerably greater degree. Now it is, above all, important that every consumer-goods producing enterprise completely and punctually fulfills its plan tasks and contracts in the required quality and product ranges and that the trade enterprises make their contribution to supply in a reliable and disciplined way.

In spite of the progress achieved in general, one must note that there have also been problems with insufficient supply. Such problems are mostly caused by backlogs in deliveries to domestic trade. By the end of May, delivery backlogs amounted to M253 million. They particularly concerned outer wear, radios, furniture, upholstered goods, and cosmetics. With regard to a number of products, the demand of the population is currently higher than production as it can be safeguarded from the material-technical point of view by the plan, or the existing production facilities are insufficient.

The ministers, the directors general of the combines, and the chairmen of the bezirk councils have to make sure that the tasks of consumer goods production set down in the national economic plan are being reliably fulfilled. This applies both to the delivery of goods in accordance with the contracts and to the punctual production of new high-quality consumer goods. This also includes ensuring punctual subcontractor deliveries of the required quality. In the further implementation of the 1988 plan and the preparation of the 1989 national economic plan and beyond that, it is necessary to utilize all material possibilities to manufacture products that are demanded by the population in greater numbers and in good quality.

It corresponds to the essence of our citizen-friendly local policy, and to the substance of the law on the local peoples' representative bodies, when we request that supply of, fresh goods in particular, and many goods for everyday consumption, the shopping conditions, and the development of gastronomy must closely accord with the requirements and possibilities of the region. The initiatives started for this purpose by the kreise of Torgau and Wittenberg have meanwhile been taken up by many kreise.

Experience shows that everything that is done to ensure production and processing in the kreis itself and that is delivered to the shops directly and by the shortest possible route benefits the citizen directly and provides high quality and is, ultimately, also most effective for the national economy. At the same time, the trade organs must not relax their work to lastingly and reliably secure the level of supply that has been achieved, the continuity of goods supply, and the quality and variety of the goods, in particular concerning bread and pastry, sausages, and meats, dairy products, beverages, and vegetables. This also includes consistently observing the established opening hours, economically organizing the sale of goods in a way that saves time for the client, and guaranteeing varied services by trade.

During the period under review, services and repairs for the population were further increased. Services of state-owned local public utility enterprises were raised by 3.4 percent. The network of service facilities and of places that accept goods for repairs was expanded according to plan.

The Politburo draws the attention of the local councils, the service and repair enterprises, including the crafts, to the fact that repairs and services have to be expanded in order to further improve supplies to the population. This includes client-oriented opening hours in order to avoid working people being absent from work. All kreise should pay even more attention to late and weekend services and to providing customer service at home.

In implementing the decisions of the 11th SED Congress, the Politburo confirmed measures to further increase the capacity of private retail traders and restaurant keepers and to raise the level of their supplies to the population. In line with the tested alliance policy of our party, this continues the way of promoting even more effectively the initiatives of retail traders and restaurant keepers, in particular the so-called family enterprises, through financial regulations and an active trade policy. This not only helps to ensure good supplies in holiday resorts, recreation areas in one's immediate vicinity, and excursion sites. People are being encouraged to accept mobile supply tasks at weekly markets, in main shopping streets, and on the occasion of social, athletic, and cultural events. The expansion of such popular facilities as shops with small production capacities for prepared food and delicatessen products, bakeries with small cafes, restaurants with a butcher's shop, and fish shops with their own smoke houses is also promoted. The measures for tapping reserves for good supplies also include expanded opportunities for additional part-time jobs.

It is necessary to make even more extensive use of all opportunities provided by the law on the local people's representative bodies, which was passed by the People's Chamber on 4 July 1985 after thorough discussions.

At the 10th conference of the Consumer Cooperatives Association of the GDR this May, the elections to the leaderships of the consumer cooperatives organization were concluded. As an independent social organization and as an important economic body of trade and industry, the consumer cooperatives have always reliably fulfilled the tasks assigned to them to ensure supplies to the population and in the social life of our country and with their resources have made an essential contribution to the welfare of the citizens in the spirit of the policy of the 11th SED Congress. The results of the elections demonstrate that the consumer cooperatives in our country not only have a long tradition—one can no longer imagine our country's public life, both in production and trade, without them. From the very start, their successful development has been based on the cooperative principles of self-determination, their own responsibility, and the financial participation of the members. Sharing in turnover profits has proved to be a great stimulus.

We are sure that the consumer cooperatives will continue to make a reliable contribution to strengthening the GDR, in particular through the tapping of new reserves, and to providing good supplies to the population, and that they will even considerably increase it.

Scientific-Technological and Economic Cooperation With the USSR and the Other Socialist Countries. Tasks in Foreign Trade [subhead]

The Politburo has paid great attention to the purposeful implementation of the basic agreements concluded between Comrade Erich Honecker and Comrade Mikhail Gorbachev on the development of a qualitatively new level of economic and scientific-technological cooperation between the GDR and the USSR. This cooperation occupies a central place in the further implementation of our economic strategy.

At the 41st session of the Joint Government Commission on Economic and Scientific-Technological Cooperation Between the GDR and the USSR, which took place in Berlin in January 1988, further joint steps in developing and applying key technologies were adopted. This concerns research and development tasks in the field of microelectronics, in particular with regard to very highly integrated circuits, special technical equipment and special materials, and in the field of electronic computer technology, CAD/CAM technology, and flexible manufacturing systems. They increasingly characterize cooperation between the GDR and the USSR, which is aimed at the highest possible scientific-technological standards.

Direct relations between GDR combines and enterprises with their partners in the GDR have been further developed. There are a total of about 130 agreements for this purpose. The aiming of these agreements at effectively implementing the cooperation envisaged in plans and contracts has stood its test. This also applies to the development of modern technologies and to measures for intensification, rationalization, and modernization of facilities and production stages.

To achieve a great increase in the national income, the Politburo aims at channeling these direct working relations in the future even more toward speeding up development and the utilization of key technologies, as well as toward introducing top scientific-technical achievements into the production process.

The planned nature and long-term stability of mutual economic relations is of primary importance in cooperation among the CEMA member countries and is characteristic of socialism. This cooperation is based on long-term agreements on mutual goods deliveries and services. In this context, the current preparations for the coordination of national economic plans for the 1991-95 period between the GDR and USSR and with the other socialist countries are of great significance.

In connection with the fulfillment of the 1988 national economic plan, the Politburo dealt with the fulfillment of export obligations toward the USSR. The delivery of high quality export goods in accordance with contract provisions is an essential question of our internationalist position and, at the same time, a requirement of the GDR's prestige as an efficient trading partner, which has to be defended constantly. It is also an important prerequisite for ensuring the long-term imports agreed upon with the USSR, particularly our raw material imports.

The approximately 14,000 GDR working people who worked in the USSR at the central youth project "natural gas pipeline" achieved great performances this year as well. Despite difficult geological conditions, they were able to move the planned section of the natural gas pipeline, to fulfill the tasks connected with erecting further compressor stations, and they were able to complete the construction of housing and other establishments for children and social activities.

The joint efforts aimed at building the Krivoy Rog mining combine and processing plant continued. Thus important preconditions were created for the constant supply of our national economy with metallurgical raw materials.

In the period covered by this report, we also continued to intensify economic and scientific-technical cooperation with the other socialist countries. During the friendly meeting between Comrade Erich Honecker and the

general secretary of the CPCZ Central Committee, Comrade Milos Jakes, the sides discussed proposals to intensify cooperation and specialization in research and production between our two fraternal countries. The governments of the two countries will guarantee the purposeful fulfillment of the concrete tasks put forward by this meeting.

The GDR exhibition of export goods in Beijing was of great significance for the further development of our economic relations with the PRC.

In close connection with the fulfillment of the 1988 national plan, the Politburo dealt with the solution of tasks in the area of foreign trade. We were able to achieve an export surplus by the end of May. All necessary steps have been taken to continue to develop it according to plan. In their work, the Council of Ministers and each minister and general director of combines and foreign trade enterprises must especially focus on speeding up the prefulfillment of contract provisions. In the activity of the minister for electrical engineering and electronics, heavy machinery and equipment, general machinery, agricultural machinery and vehicles, for the district managed industry and foodstuffs industry, as well as for light industry, is of particular importance for the further fulfillment of the 1988 national plan and for the preparation of the 1989 plan.

At the same time, in the management activity of each plant manager, general director, and minister greater attention must be paid to the fulfillment of export contracts in terms of quality and deadlines. Likewise, the planned measures aimed at replacing imports must be applied consistently.

The Leipzig Spring Fair made an important contribution to the fulfillment of the GDR's foreign trade tasks. Once again it contributed to the development of mutually advantageous international economic relations and thus to peaceful cooperation between states with differing social systems. The talks conducted by Comrade Erich Honecker and other members of the party and state leadership at the exhibition stands of 36 countries earned a great response. They contributed to a positive political atmosphere and promoted business considerably.

For the Further Preparation of the 1989 National Economic Plan Aimed at Great Achievements [subhead]

At the beginning of May the Politburo dealt with information and proposals for the continuation of work regarding the drafting of state tasks under the 1989 national economic plan and budget. The Politburo discussions were evaluated by the Council of Ministers.

The Politburo established that what is at stake is to consistently fulfill the tasks of the economic strategy of the 11th SED Congress in order to increase the contribution of each ministry, combine, enterprise, and of each establishment to the growth of the GDR's national revenue. And this, beginning with efficient production and utilization of key technologies, with a considerable increase in the economic efficiency of science and technology, with an effective investment policy and the proper utilization of machinery, installations, and other facilities and up to the rational mobilization of public work; in this respect, the concrete application of the Schwedt initiative in each enterprise, each combine, and in each establishment is of even greater importance.

The Politburo stressed that the consistent implementation of the economic strategy put forward by the 11th SED Congress aims at an important increase in labor productivity, in the efficiency and quality of work, so that our people's material and cultural standard of living is secured and so that it can be improved according to plan.

In this context, the Politburo noted that the implementation of the 11th SED Congress decisions aimed at building an important base for microelectronics on the basis of investments is a strategic task of the first order for the GDR. In the future the production of machines and equipment matching the highest scientific-technical performance and inseparably combined with microelectronics is of even greater importance for the successful development of socialism in the GDR, a country which is already achieving 50 percent of its national income on the basis of exports and imports. The successful continuation of the course of our main task, in the unity between economic and social policy, will be decisively determined by the fulfillment of tasks in the area of microelectronics.

All experience and future intentions of modern industrial states boil down to focusing all possibilities of the investment potential of the national economy on the development of microelectronics. The GDR must guarantee this and it must ensure the development of processing machinery, while observing the proportional development of the national economy in accordance with plan provisions.

The Politburo noted that the fulfillment of these tasks make it necessary for the Council of Ministers to organize concrete work to prepare for great efficiency and effectiveness in each ministry, in the combines and enterprises, and to guide the drafting of the 1989 plan and the fulfillment of the 1988 plan as an integrated process. The Council of Ministers will work out the state tasks and submit them to the Politburo.

III [Roman three]

The 7 May Local Elections—a Social Climax in 1989 [chapter head]

Comrades, the Politburo has issued a resolution regarding the preparation and holding of elections to the kreis assemblies, city assemblies, city district assemblies, and

communal representations. In keeping with the GDR Constitution and election law, the Politburo of the sixth Central Committee plenum recommended that the State Council schedule the local elections for 7 May 1989. These elections will take place under the sign of the further successful implementation of the 11th SED Congress decisions. We view them as a political and social climax on the road to the 40th anniversary of the GDR.

The local elections must be prepared in such a way that each citizen is aware that his work and advice are needed. They are part and parcel of our great, joint efforts to strengthen socialism, within the framework of which socialist democracy continues to develop under the motto "participate in work, in planning, and in the government!"

Of vital importance for our municipal policy is the report of the Neubrandenburg SED Bezirk leadership to the Politburo dealing with experience gained from work with the kreis mayors and counselors. The report and the stance taken by the Politburo emphasize that the meaning and goal of our municipal policy aim at developing life in cities and in the countryside to a greater extent and at strengthening the bond of our citizens with their socialist homeland. In this respect, closeness to the people and citizens' actions are two sides of the same coin.

The Politburo values the social role of mayors and of the members of local councils. The prosperity of cities and villages considerably depends on their energetic actions and initiatives, and on their closeness with our citizens. Things progress best when mayors ensure favorable conditions and when they cooperate closely with the commissions of the National Front and with all social forces. The 3,850 honorary deputy mayors in localities also deserve great recognition and great support. The new and qualitatively higher requirements of municipal policy need mayors and council members who have been thoroughly prepared for their position. For this purpose, their political and professional training should be coupled with testing their skill in practice. Trusting contact between the party leadership cadres and mayors and local council members ensures closer links with the citizens in the process of fulfilling tasks.

The Politburo values the inspiring work carried out in cities and villages to fulfill the annual plans worked out by people's assemblies. A high growth rate of the national economy is a stable foundation for a successful municipal policy. The experience of Neubrandenburg confirms: Socialist cooperation between local state bodies and enterprises, cooperatives, and other establishments opens up an additional material and intellectual regional potential for the fulfillment of all tasks of the national economy and for the well-being of all citizens. Efficiency contests between kreises, cities, villages or city districts should be used more consistently in order to remove existing unjustified differences.

We must continue to strengthen the work of party organizations in local councils and of party groups in the people's assemblies. They must be better aware of their right to supervise the implementation of the party and government decisions by the local state bodies. The party groups within local people's assemblies are duty-bound to guarantee the involved and creative activity of each comrade deputy regarding the preparation, implementation, and control of state decisions.

On Cooperation With the Friendly Parties and on the Work of the GDR National Front [subhead]

In comradely relations, we are working with our alliance partners in the democratic bloc and in the National Front for the common goal of serving the welfare of the people in secure peace. The friendly parties—the Democratic Peasants' Party of Germany, the Christian Democratic Union of Germany, the Liberal Democratic Party of Germany, and the National Democratic Party of Germany—made use of Erich Honecker's speech before the first secretaries of the kreis leaderships as an occasion to reaffirm their full agreement with the decisions of the 11th SED Congress. With varied initiatives our fellow-fighters are realizing the goals of their own party congresses on the road to further shaping the developed socialist society in the GDR. This is also demonstrated by the 40th anniversary of the founding of the Democratic Peasants' Party and the National Democratic Party.

Our cooperation in the alliance of all social forces is, indeed, closer than ever. Of great importance are the initiatives of the friendly parties to continue the course of the unity of economic and social policy—no matter whether in developing and applying the key technologies, promoting cooperative and private crafts and trade, or in enriching intellectual and cultural life. Our great respect also goes to the dedicated work of tens of thousands of members of the friendly parties in the people's representative bodies and committees of the National Front. In our country every citizen, regardless of his social origin, ideology, and religion, has every opportunity for good work and ample room for democratic participation in our common cause. This applies to the SED's alliance policy today and in the future.

The extended session of the National Council in February decided the tasks of the GDR National Front for 1988. Following these guidelines, the committees—in close cooperation with the people's representative bodies—conducted the exchange of experiences on economics, local policy, and intellectual-cultural tasks that have to be fulfilled locally. In the traditional citizens' initiative "Beautify our towns and villages—Join in!" new projects have been tackled in town and countryside. They are aimed at preserving the value of apartment houses and caring for the residential areas, at maintaining social facilities, protecting nature and the environment, and tapping material reserves. This spring, too, millions of people participated in the campaigns for beautiful and clean towns and villages.

In the future, too, every good deed in this imaginative mass movement is supported and appreciated by our party. We expect all communists in the local people's representative bodies, the National Front committees, and in the house and street communities to make it one of their basic concerns to work among the masses, that is, to inform the citizens in time and integrate them from the very start in fulfilling the tasks very effectively everywhere and to always pay due attention to their proposals and critical suggestions for solving problems.

Erich Honecker's discussion with Regional Bishop Werner Leich, chairman of the GDR Conference of Evangelical Church Leaders, on 3 March 1988 was very important for the relationship between state and church. It was noted with satisfaction that the common positions of the socialist state and the church with regard to the most vital question of the present, the safeguarding of peace, have continued to increase. In spite of all outside attempts at causing disturbances, the policy of coexistence of state and church for the benefit of the people, of socialism, and of peace, which was agreed to on 6 March 1978 by Erich Honecker and the Executive Committee of the Conference of Evangelical Church Leaders and is based on openness, trust, and reliability, remains valid.

In the talk with Bishop Leich it was clearly expressed that there must not be any place for subversive activities in the church. State and church fulfill their respective tasks; their common task is to shape our socialist homeland better and better in a peaceful world.

At a friendly meeting of Erich Honecker with the president and members of the Presidium of the GDR Jewish National Representation, the GDR was praised as a state in which the concerns and interests of Jewish citizens are also taken into consideration. Here the roots of anti-Semitism, racism, and hatred for one people have been eliminated forever, here the Jewish citizens have found their real home. Siegmund Rotstein, president of the Jewish National Representation, and the other participants in the talk welcomed the proposal submitted by Erich Honecker on establishing an international board and a foundation for the reconstruction of the synagogue in Berlin's Oranienburger Strasse, which was destroyed during fascist rule.

At a meeting of Erich Honecker with Heinz Galinski, chairman of the Central Council of Jews in Germany and chairman of the Jewish Community of Berlin (West), Galinski expressed his concern about incidents of neonazism, which has to be combatted uncompromisingly. He welcomed the establishment of the foundation and the development of the synagogue as a site for meetings, the cultivation of Jewish culture and tradition, and as a memorial.

"GDR 40 FDJ Call"—A Demanding Political Mass Initiative of the Young People [subhead]

The "GDR 40 FDJ Call" is of extraordinary importance for the further implementation of the decisions of the 11th SED Congress in the field of youth policy. During the period under review, it was started with many ideas and activities. As Comrade Erich Honecker noted at the meeting with the members of the Central Council and the kreis first secretaries of the FDJ on 8 February, the key to the success of this demanding political mass initiative lies in raising the level of ideopolitical work among the young people by the party, the socialist youth association, the state managers, and the social organizations.

The FDJ leaders are increasing their efforts to help all young people to adopt an active position for socialism and peace in the multifaceted struggles of our time, to integrate more and more boys and girls with their ideas and initiatives into the shaping of a stimulating, independent life in the association, and thus to facilitate their personal contribution to the overall strengthening and the reliable protection of our socialist fatherland. The specific measures of our party leaderships to support the "GDR 40 FDJ Call" and the resulting party assignments to the young comrades for dedicated work in the youth association are a valuable help in this. It remains an honorable task for every communist to stand at the side of the young generation as a trust-inspiring advisor in all situations and a model worth imitating in learning and work, in the family, in leisure time, and in other fields of life. The young people are naturally concerned with many questions about their responsibility for the further shaping of our socialist society. Convincing answers provided in an open exchange of views encourage them to work with dedication for the realization of our socialist ideals.

Like the Zeitz meeting of youth brigade leaders, this year's "Week of the Young and Athletes" also became a comprehensive democratic accountability report on how the tested principle of trusting the young people and giving them great responsibility is being implemented. The proposals, suggestions, and critical remarks of the young people have to be responsibly studied by the heads of enterprises and mayors and have to be put into practice together with the FDJ and in line with the specific situation. The youth brigades and young research collectives, the basic organizations and the youth clubs of the FDJ are justified in expecting the state managers to ensure preconditions for continuous production and the rapid use of scientific-technological results, and to pay attention at all times to the working, living, and leisure conditions of the young people. Particular support has to be given in towns and villages by the enterprises and cooperatives to the "Rebuild and Expand" FDJ campaign. This campaign is to ensure the completion of 45,000 apartments, especially for young couples, by the day of the 40th anniversary of the founding of the GDR.

This summer 60,000 students will again work in FDJ student brigades at the building sites of the capital city,

in industry, and in other branches of the national economy, as well as in organizing holidays. Their work is to be prepared everywhere in such a way that high economic results and a great political-educational effect will be achieved.

The Central Committee Secretariat agreed to the proposals of the FDJ Central Council on the further work of the friendship brigades. In 1988, 20 brigades are working in 12 countries and at the African National Congress. An expression of the deep solidarity with the courageous people of Nicaragua is the work of the FDJ brigade members in the "Karl Marx" Hospital in Managua, to which a surgical block and a delivery room will added with GDR solidarity aid this year.

The Third Friendship Festival of the FDJ and the Union of Young Communists of Cuba in Magdeburg became an inspiring demonstration of friendship and cooperation between the young generation of the GDR and Cuba. At the same time, it provided stimuli for preparing the 13th World Youth and Student World Festival in the DPRK.

The eighth pioneer meeting will take place in Karl-Marx-Stadt from 14-21 August this year. We are convinced that it will become a joyful presentation of the accountability reports of the young and Thaelmann Pioneers on the fulfillment of their pioneer assignment "At the Side of the Comrades—Always Ready!" Everywhere the leaderships of the party and the FDJ, the leaders of the friendship pioneers, teachers, educators, parents' representative bodies, and sponsor enterprises should support the efforts of the pioneers to conclude the study year with good results and to worthily prepare the highlight in the life of the "Ernst Thaelmann" Pioneer Organization by making the vacations interesting.

Women's Contribution [subhead]

The annual meetings of the more than 18,000 groups of the Democratic Women's League (DFD) in towns and villages were aimed at the active participation of women in the further implementation of the decisions of the 11th SED Congress. They were held in close association with International Women's Day and provided good opportunities to thoroughly evaluate, together with the members, Comrade Erich Honecker's speech before the kreis first secretaries. This showed that his speech had a highly mobilizing effect on the work of the organization.

Women of all classes and strata unanimously stated their attitude toward socialist peace policy and voiced their willingness to contribute to the further strengthening of the GDR with useful activities in their jobs and in social work. Many DFD groups discussed how they can participate even more effectively in fulfilling tasks that concern the citizens' daily life. In this respect, they paid particular attention to making the life of women and mothers increasingly easier, and to trade, services, health facilities, and school meals. An important place in the discussions was occupied by the support for parents and schools in educating the young generation.

The efforts to make leisure time in the residential areas interesting and full of variety and to raise the effectiveness of the organization, in particular also among young women, were successfully continued.

With the slogan "Our Knowledge and Skills for our Socialist Fatherland—for Socialism and Peace!" the DFD National Executive Committee has called all members, groups, and executive committees to a competition in preparation for the 40th anniversary of the founding of the GDR.

Reliable Fulfillment of the Class Assignment by the National People's Army and the Other Armed Organs [subhead]

With initiative, creativity, and industriousness, the members of the National People's Army (NVA) and of the GDR protective and security organs have achieved considerable performance increases in political and combat training and in fulfilling other tasks. The results in exercises, checks, and inspections, in the ready-alert system, in combat duty, in securing the borders, and in daily training reflect the reliable fulfillment of the class assignment given by the 11th SED Congress. At the same time, the members of the NVA, the border troops, the Interior Ministry, and the Ministry of National Security stood their test in supporting the national economy, which was necessary because of unfavorable weather conditions. Together with the working people and members of civilian defense, they accomplished exemplary feats in preventing damage by floods and in extinguishing forest fires.

The operational-tactical exercise "Druzhba 88" on GDR territory was a highlight in implementing the political and military conclusions drawn from the joint military doctrine. A total of 20,000 members of the NVA, the Group of Soviet Forces in Germany, and the Polish Army participated in this exercise. It made a considerable contribution to deepening the ideas about the demands on a steadfast and active defense and to perfecting the corresponding necessary cooperation of the allied armies. The military activities testified to the capability of the Joint Armed Forces to live up to their assignment of protecting socialism and safeguarding peace. In accordance with the Stockholm document, 44 observers from 23 CSCE states attended this exercise.

At the request of the U.S. Administration, official representatives of the U.S. Armed Forces inspected military activities of units of the GDR's NVA and the Group of Soviet Forces in Germany on GDR territory. In dealing with this request and in the practical implementation of the inspection, our government strictly observed the Stockholm document on confidence-building and security measures.

Even though the insight that neither a nuclear nor a conventional war can be won is increasingly gaining ground throughout the world, the most recent NATO conferences have shown that aggressive imperialist forces are intensifying the efforts to continue the arms race and to continue ideological diversion and subversive actions against the GDR. Our protective and security organs, however, are able to guarantee public order and security at any time and to protect our people's peaceful construction work.

The purpose of the slander campaign against the GDR and socialism consists in diverting attention from the main problem, the struggle for disarmament, and from the crises and crimes of imperialism and to discredit the GDR's policy of dialogue in the eyes of the international public. In view of the conditions present in the GDR, whose border coincides with the border line between NATO and Warsaw Pact, the secure protection of the socialist fatherland and the safeguarding of internal security are an important contribution to international security and to the safeguarding of peace.

IV [Roman four] The GDR—A Socialist State Based on the Rule of Law [chapter head]

Comrades, the GDR is a state based on the rule of law that guarantees its citizens fundamental human rights. Our socialist law enshrines the highest social values such as power of the people, personal freedom, right to work and education, democracy and lawfulness. The work of legislation, carried out by the people, attests to the reality of the rule of law, which is subject to examination. Millions of our country's citizens, for example, discussed and examined the drafts of the Youth Act, of the Family Code, and the Civil Code, of the Labor Code, the law on agricultural producer cooperatives, and of the law on the local people's representative bodies.

On this democratic foundation rests the whole socialist law of the GDR. Recognition is accorded to broad social participation in the processes of law. All main and honorary judges are directly elected by the people's representative bodies. The equality of all citizens before the law is guaranteed. Rights to revision of all verdicts in civil, family, labor, and criminal matters by a court of second instance, including that of the penal verdicts of the Supreme Court by the Grand Senate, are assured.

Starting from the assumption that a high degree of security under the law is part of our citizens' quality of life, the People's Chamber, the State Council, and the Council of Ministers of the GDR always devote particular attention to strict adherence to socialist legalities. A comprehensive right of petition served the citizens as a helpful and prudent method of ensuring their rights and their justified interests. In the GDR, the certainty of the law is not only a matter of the judicial and security organs. It comprises the state and administrative organs, the enterprises, cooperatives, and institutions. All institutions, and organizations, and all state officials and citizens—without exception—must respect and strictly observe the laws. Our party's policy is aimed at further improving legal work in the state organs, at further perfecting the legal knowledge of the state officials, at settling disputes between citizens and individual administrative organs through decisions based on legal regulations, and at systematically expanding efficient legal protection for the citizens.

Labor Code and Collective Agreements for Enterprises—Expression of Socialist Democracy [subhead]

In the period under review, the Politburo dealt with the efficiency of the GDR Labor Code and with a report on the conclusion of collective agreements for enterprises for 1988.

The 10 years of experience with the Labor Code, which came into force on 1 January 1978 on the legal initiative of the FDGB, have shown that it has proved itself fully in daily life. This Magna Carta of labor has shown itself to be an important motivating factor in the shaping of the advanced socialist society. In accordance with the essence of our socialist social order, the Labor Code serves such fundamental rights as the right to work, the right to take part in decisions and development, the right to remuneration in accordance with quality and quantity of work, the right to education, to leisure time and recreation, to health protection, and to care in old age. By means of the realization of the Labor Code, a significant contribution has been and is being made to the further development of socialist democracy in the most important area of life of workers, that is, in the sphere of work. The increasing quality and breadth of socialist competition organized by the trade unions, the participation of millions of workers in the discussion of the plan, the creative initiative of more than 2 million innovators, and the active work of 343,000 trade union officials attest to this. This also includes the constructive activity of the trade union leaderships in the enterprises with over 163,000 committees, in which over 1 million trade union activists work. The 350,000 members' monthly meetings in trade union groups and basic organizations play an important role. In 1987, in these meetings over 87 percent of the trade unionists discussed and helped to determine all basic issues regarding the plan and competition targets, economic and social matters in the enterprises, the full use of work time, the observance of work discipline, and the organization of social events outside working hours.

The guidelines set by the resolutions of the 11th SED Congress, which stipulate that the further development of socialist democracy in the enterprises and work collectives will primarily be realized by expanding the rights and the responsibility of the trade unions, have given a strong impetus to the work with the collective agreements for enterprises as the enterprises' basic document. This is emphasized by the report on the conclusion of the collective agreements for enterprises for the year 1988. The drafting and conclusion of the 25,445 collective

agreements for enterprises for 1988 was characterized by a comprehensive democratic process and closely linked with the discussion of the plan. The report confirmed that the collective agreements for enterprises do not only embody important democratic traditions, but they have great prospects as tested instruments of the efficient participation of the working people in the management and planning of enterprises, combines, and institutions, and as the basic agreements between the works managers and the trade union leaderships.

The Worker-Peasant Inspectorate [subhead]

In May 1988 the Worker-Peasant Inspectorate celebrated the 25th anniversary of its founding. Today more than 283,000 citizens from all classes and strata, young and old communists, members of allied parties, nonparty members, and members of mass organizations are working in the organs of the Worker-Peasant Inspectorate. They are proving in a convincing manner that people's control is living socialist democracy. The Worker-Peasant Inspectorate is contributing to the successful development of the unity of economic and social policy by tapping performance reserves in all social spheres and by strengthening and promoting social responsibility for the material and social values of socialism.

Fight Against Criminality—Social Task [subhead]

The Politburo gave its statement on a report by the attorney general of the GDR on development in, and combatting of, criminality in the year 1987. This report shows that in 1987 the GDR continued to have one of the lowest crime rates in the world. Last year, the falling trend of the eighties was continued with 114,815 crimes.

The work of the judicial and security organs is steadily improving. Criminal prosecution is consistently being carried out in accordance with the principle of the equality of all citizens before the law.

The citizens value the constantly increasing legal security in our state. The strengthening of legality, order and security are becoming more and more a matter for the whole of society. The commitment of the working people is increasingly directed toward this aim. Social forces, above all work collectives, are consistently involved in the work with offenders and in eliminating the causes and conditions for illegal offences. In 67.6 percent of court proceedings, representatives of collectives are involved. For every fourth person given a suspended sentence, collectives took over the guarantee. One-fifth of all criminals had to appear before social courts.

The protection of the national economy and of socialist property continues to receive our full attention. Our overall good economic results were reduced in 1987 by fires, mishaps, and other incidents with damage amounting to M620 million. In this connection the same sort of infringements of work regulations and technological discipline occur repeatedly.

Whereas crimes against socialist property with small damage declined further, crimes with damage amounting to over M1,000 have increased. In the prevention of offenses, special attention is to be paid to the efficient control of the enterprises by its members. At the same time the atmosphere of vigilance and intolerance have to be increased in protecting socialist property. The party organizations and directors of enterprises and institutions must work even more efficiently to lastingly overcome the causes of the losses.

In cooperation with the population, efforts must be intensified to prevent break-ins of homes, bungalows, and cars. More decisive procedures are to be followed against disrespecting public order and against thoughtlessness in interpersonal conduct.

V [Roman five] For a High Level of Training and Education [chapter head]

Comrades, in accordance with the fundamental developments that are taking place in the sphere of public education in implementing the resolutions of the 11th SED Congress, the Politburo and Secretariat repeatedly dealt with issues related to educational matters in the last few months.

In January 1988, the Politburo decided to convene the Ninth Educational Congress of the GDR in June 1989. Exacting demands will have to be met by this congress. A balance sheet will be drawn up on the implementation of the educational concept of the 11th SED Congress, and tasks will be discussed that benefit the schools from the further shaping of socialist society. Thus, the Ninth Educational Congress of the GDR will represent a significant highlight on the road to the 40th anniversary of the founding of the GDR.

Another guideline for the preparation of the Ninth Pedagogical Congress has been set by the report on the results of the election of parents' representatives, which was accepted by the Central Committee Secretariat in March 1988. It is a living expression of how more than 2.5 million mothers and fathers make use of their democratic right to participate in the education and training of the young. The report gives specific information about aspects toward which teachers, parents, and other persons involved in the training and educational process should direct their constructive attention, in order to comprehensively prepare the girls and boys for present-day challenges.

These two resolutions met with a broad social response that goes far beyond the sphere of public education.

The teachers are making great efforts to obtain good results in instruction and in their entire educational work. The party organizations in the public education institutions, together with the school headmasters and trade union organizations, must always try to create an atmosphere of openness and honesty, of conscientious

work and comradely support. By developing a living and vigorous style of ideopolitical work as well as a rich life within the party, the school party organizations are making a sizable contribution to a militant and optimistic atmosphere in the teachers' collectives. This is also their reply to the confidence placed in them and the care on the part of the party and the state for public education. In this connection, the successful conclusion of the current school year and careful preparations for the 1988-89 school year are to be viewed as important steps toward the party elections and the Ninth Educational Congress.

The increasing personal responsibility of the teachers, their great commitment to the well-being of our children and the development of the sphere of public education in the GDR are highly respected and appreciated. In cooperation with the FDGB National Executive Council, the Politburo and the Council of Ministers introduced a new tariff for teachers, educators, friendship pioneer leaders, kindergarden teachers, and creche nurses.

In preparing the new school year, emphasis must be placed on the conscientious securing of all personal and material conditions, as well as on the elimination of shortcomings in this sphere that still exists in various areas. This is a decisive precondition for qualified work in terms of contents. In this, special attention must also be devoted to good recreation of the children in summer vacation camps.

In the last few weeks, youth initiation ceremonies were held in all towns and villages. In 5,691 ceremonies, a total of 169,000 girls and boys pledged to use all their strength to further strengthen their socialist fatherland and to contribute to creatively shaping the socialist future. Numerous citizens helped to make the youth initiation ceremonies, in which more than 1.5 million members and guests participated, an impressive experience.

Various initiatives were launched by the universities, colleges, and technical schools designed to efficiently contribute to social and scientific-technological progress by creating an educational lead.

These initiatives focus on the further development of the contents and methods of imparting knowledge and acquiring knowledge in order to form socialist personalities with clear political attitudes and a high level of knowledge. In this connection, it is important to develop the students' self-responsibility and independence.

The FDJ Students' Days and the exhibitions that were organized at the universities, colleges, and technical schools during the past few weeks were a reflection of the students' independent scientific work. They demonstrated the progress in scientific competition, in which 90 percent of direct students participate. At several universities the students account for 40 percent of the research potential.

At the same time it became clear in talks with students that independent scientific work is still considered to a great extent as something additional to training. Scientific-productive work, however, must be realized as a basic principle of the entire training process. This requires lectures, seminars, and exercises which promote independent, creative work to a greater extent than in the past, and which challenge the students and thus ensure the unfolding of the individual abilities of every student.

At a meeting of the Ministry of University and Technical School Matters with teachers of Marxist-Leninist basic studies on 14 January 1988, topical questions concerning the imparting of Marxist-Leninist theory and of party policy were discussed.

Over the past few months, some 24,000 applications for admission to the university and some 34,000 applications for admission to technical schools were treated in a responsible manner at the universities and technical schools. Nearly 80 percent of the applicants were granted admission to the desired branches. But there are still a number of branches in which the number of applicants far outnumbers the places available. On the other hand, in some technical branches and in various teacher training courses problems exist in filling the vacant places. Given these facts, all consultative organs for students, teachers, parents, and the young should make it a point to check their wishes on the basis of the possibilities, at an even earlier stage.

With the founding of the Berlin Engineering College and the award of the status of Technical College to the engineering colleges of Wismar and Zittau, the potential for the theoretically-founded, practice-oriented training of technical and economic university and college cadres has been qualitatively further developed.

In May the Politburo confirmed the "Concepts for the development of basic and advanced training of jurists in the GDR," which were worked out by scientists in cooperation with practical workers. The discussion which now follows and the working out of the new syllabi has to be aimed at achieving a thorough perfecting of all sides of juridical training.

The training of engineers and economists, which started 3 years ago, has been considerably expanded. Next year people will be trained in these new technical professions at 42 institutions in almost 50 specialized fields. This establishes a totally new level of training. Engineers and economists are experts that can be flexibly used and have a solid theoretical and practical training which corresponds to the demands posed on their work. It must continue to be the common concern of the technical colleges and their partners in practical work to further develop and detail the job profiles of the new technical professions and the training documents, and to utilize the graduates in accordance with their training.

Further Development of the Socialist Character of Our National Culture [subhead]

During the period under review, the party leadership paid much attention to the further promotion of socialist culture and arts. On 25 May 1988 the Rudolstadt Kreis leadership reported to the Central Committee Secretariat on "results and experiences in leadership work in the field of cultural policy in implementing the decisions of the 11th SED Congress." The results achieved in Rudolstadt Kreis show that the basic strategic concept of our cultural policy is proving its worth in daily life. A rich, varied, and stimulating cultural life is being promoted in the towns and villages of the kreis. All bezirk and kreis leaderships and basic organizations of our party should draw their own conclusions from the report of the Rudolstadt Kreis leadership and the statement of the Central Committee Secretariat, in order to raise the ideological level and the effectiveness of the intellectual-cultural life in their sphere of responsibility.

The Fifth Congress of the GDR Film and Television Specialists Association took place in Berlin on 19-21 April 1988. In the vivid, constructive, and critical discussion many delegates expressed their views with party-minded dedication on the question of how the quality and effectiveness of film and television can be further raised and how the training and work of the young people in this field can be improved. The Fifth National Movie Festival of the GDR in Karl-Marx-Stadt was a highlight in the evaluation of this congress.

On the basis of the first results, which were already reflected in the program of the GDR Music Days in February 1988, the Central Committee Secretariat approved measures to further evaluate the congress of GDR composers and musicologists. They are particularly aimed at enriching our country's musical culture with new creative achievements and at increasing music's contribution to the development of the people's socialist personality.

The Central Committee Secretariat accepted information on the course of the 10th Art Exhibition in Dresden. The exhibition, which was visited by more than 1.1 million people, again was a nationally and internationally outstanding event. There were numerous discussions between artists and visitors which convincingly demonstrated the fact that the arts are indispensable for the development of social values and individual behavior.

Important stimuli were provided by these important cultural events. Our party promotes a creative intellectual climate that is characterized by high ideological, moral, and ethical demands and by a trusting attitude toward writers and artists. In this trusting coexistence all questions can be solved that are connected with the problems of our time and with creative work.

We proceed always from the fact that the explorations and discoveries of artists and writers are as much needed as the discoveries of scientists. This includes encouragement for works of art to be inspired by life itself and by the achievements of our society. It gives us pleasure to note an increased variety in artistic creations. No matter how differentiated and varied they may be, they are a valuable source of inspiration in our thinking, feeling, and action. When looking at the multitude and great variety of artistic assets, we note that they deal with questions of human coexistence in socialism, they provide information about the meaning and value of life in our society, continue what has been achieved, and measure it against what can be achieved. The matter-of-factness characterizing many men of art and their connection with reality, as well as their prestige at home and abroad because of their great artistic achievements on the one hand, and the improved standard of education of the working people in our republic, as well as their increasing understanding for the specific nature of art on the other hand, have led to the fact that today men of art and the public are discussing the important issues of our time more often and more intensively than in former years. The closeness of this relationship was once again obvious during the "Day of the Arts" in March this year. These contacts tellingly prove that in our country art has become a public issue and a matter of public need. In the truest sense of the word, art belongs to the people.

The further development of our socialist culture is also an effective means to counteract the American pseudo-culture with which Western media try to contaminate Europe and which they are trying to introduce into our country as well. It goes without saying that we have close ties with all progressive, democratic, and humanist cultural activities in capitalist countries, including the United States. Their works have a solid place in the GDR's cultural life.

From Broad Mass Sports to New World Record Performances [subhead]

Our socialist sports organization is celebrating the 40th anniversary of its foundation this year. These 40 years are marked by the extensive development of physical education and sports in our country and by the fact that the GDR has become one of the leading sports nations in the world. This was proved once again by the excellent results of our team at the 15th Olympic games in Calgary. With 9 gold, 10 silver, and 6 bronze medals it achieved the best results ever scored by a GDR team at the Olympic winter games. During the award ceremony organized for the olympic collective in the State Council, Comrade Erich Honecker paid tribute to the excellent performance of our athletes of both sexes with the following words: "Once again you have demonstrated how fruitfully physical education and sports are developing in our country, how our broad mass sports repeatedly break world records, and how our republic is

guaranteeing every person the chance to develop his talent and prove it. It is in this way that you represented our socialist homeland, while competing in Canada, with honors...."

The German Gymnastics and Sports Federation (DTSB) of the GDR has new goals now. The Politburo has endorsed the plan of the DTSB managing board in connection with the "Sports Relay GDR 40" in preparation for the foundation jubilee of our peasant and worker state. The aim of this event is to turn this stage into a particularly successful chapter in the implementation of the 11th SED Congress decisions in the area of physical education and sports. The participation of the masses in this year's spring marathon races and in the numerous sports activities within the framework of the May Day public festivals and during the week of youth and sportsmen, is impressive proof of the purposefulness with which socialist sports organizations are fulfilling their important tasks as the initiators and organizers of sports activities. Also demonstrating the excellent performance of socialist sports organizations are the enthusiastic participation of hundreds of thousands of girls and boys in the kreis and bezirk spartakiad competition, and the reliable participation of organizations such as the FDGB, the FDJ and its pioneer "Ernst Thaelmann" organizations, national education bodies, and other institutions and social forces, in sporting events.

Perfection of Health Care [subhead]

During the period under review the Politburo and the Central Committee Secretariat set down further stipulations to fulfill the health policy tasks of the 11th SED Congress.

Achievement-oriented wage raises were decided for doctors, nurses, and other working people in the health and social sector. This pays tribute to responsible work and to the results achieved to date in medical and social care and at the same time it creates more favorable conditions for a further performance increase. The wage measures meet with broad agreement among the working people in the health and social sector. They are considered as an important sociopolitical achievement in continuing the tested course of the unity of economic and social policy and have given rise to new pledges to raise the quality and efficiency of work.

Doctors, nurses, and other working people express their full agreement with the assessment given by Comrade Erich Honecker, general secretary of the SED Central Committee, in his speech before the kreis first secretaries, on the level achieved and on the further tasks in health protection and in medical and social care.

It is being realized that those tasks in the health field that are particularly important in the daily life of the great majority of the citizens must be fulfilled with priority. Therefore, over the past few months in most kreise efforts were considerably increased to ensure stable care by family doctors. This has a positive effect on the standard of medical care for the citizens. In order to make even more progress in this field, it is necessary that general practitioners receive more effective support, from the responsible organs, in caring for people in their homes.

For many citizens a healthy way of life is increasingly becoming a real need and a firm part of their personal way of living. In this respect, we proceed from the premise that a healthy way of life cannot be regulated by rules and orders. Rather, the varied social and individual initiatives in this field should be prudently promoted and supported everywhere.

The kreis leaderships are intensifying their work to fulfill the health policy tasks and are thus meeting the higher demands in an increasingly better way. This is also expressed in many additional regional achievements to preserve the value of health and social facilities. It is the task of the Health Ministry, of the other state organs, and of the combines and enterprises to always ensure a stable supply of pharmaceuticals and expendable medical products to the citizens and the health sector.

VI. [Roman six] The Role of Socialist Conception of History; 70th Anniversary of the KPD and 40th Anniversary of the Founding of the GDR [chapter head]

Comrades, in intellectual life and in the ideological conflict the role of the socialist conception of history is growing. The focal point of our attention is the revolutionary traditions of our people, in particular of the German workers movement, and the history of our Marxist-Leninist militant party. The knowledge of history, of the great revolutionary traditions of our struggle, makes the communists and all citizens of the GDR, in particular our young people, proud of the achievements reached by us in severe class struggles and under great exertions and gives them strength and confidence to fulfill the tasks that are facing us.

In this spirit we will celebrate the 70th anniversary of the founding of the KPD at the end of 1988—already looking forward to the 40th anniversary of the founding of the GDR. For this purpose, the Politburo decided on the necessary measures in May. It also confirmed measures on the 70th anniversary of the German November Revolution. In these decisions we let ourselves be guided by the fact that the establishment of the KPD in 1918-19 marks a turning point in the history of the German workers movement and of the German people.

The Central Committee has received a draft resolution "70 years of struggle for socialism and peace, for the welfare of the people: On the 70th anniversary of the founding of the KPD."

The founding of the KPD—inspired by the ideas and effects of the Great October Socialist Revolution, amid the fires of the German November Revolution—in

1918-19 again provided the German workers class, which had been deeply split by opportunism and thus hindered in the development of its strength, with a revolutionary vanguard with a clear Marxist orientation, a party that continued under new conditions the traditions of the League of Communists and of the revolutionary German social democracy of August Bebels and Wilhelm Liebknecht.

At a time when German imperialism reconsolidated its rule and was then able, with its fascist dictatorship, to hurl the German people into the greatest national disaster, the party of Karl Liebknecht and Rosa Luxemburg, Ernst Thaelmann, Wilhelm Pieck, Walter Ulbricht, and others personified the historic alternative to the antinational, antihuman, imperialist course of exploitation and oppression, of crises and wars. It represented the hard and sacrificial, but in the end victorious, struggle of the workers class and its allies for peace, freedom, and human rights, for the new socialist society. After our people had been liberated from fascism by the victory of the Soviet Union and its allies, the KPD showed the path toward the final overcoming of fascism, militarism, and imperialism. It took the initiative to unite with the SPD to form the SED and struggled for a broad antifascist-democratic alliance. With this it decisively contributed to form the forces for revolutionary change, which led to the founding of the first socialist state on German soil and thus to a change in German history.

When the KPD, from the very first day of its existence, stood the test as the motive force of German history in the new world-historic epoch because of its work for the daily interests of the working people and for the basic interests of the German people regarding their future, and for the change toward socialism, this was due, first and foremost, to the fact that the party had an unshakable theoretical foundation and always—even in the most complicated situations and at sudden turning points of the class struggle—was loyal to the principles of Marxism-Leninism. During a longer process, the KPD comprehensively familiarized itself with the teachings of Marx, Engels, and Lenin and with the strategy and tactics of the proletarian class struggle. This process of growing and maturing, which took place under complicated conditions of struggle, under constant pressure, and under severe attacks by the class enemy, naturally also suffered setbacks and mistakes.

The most important result of this development, the most significant step on this way, was the formation of Thaelmann's party leadership in 1925. Both from their own comprehensive and varied experiences gained in struggles since the November Revolution and from the most progressive international experiences—in particular those of the first victorious proletarian party, the Party of Lenin—the German Communists drew the conclusion that the party can live up to its responsibility toward the class and toward the people only if it is not a discussion club but a disciplined, active, Marxist-Leninist militant party that is close to the people and is founded on democratic centralism. Qualities such as a firm class standpoint, activity, readiness for action, militant spirit, steadfastness, and solidarity, which are a model for us also today, characterized the party of Ernst Thaelmann, its members, and functionaries.

In February and May the Central Committee Secretariat decided measures for the long-term preparation of the 40th anniversary of the founding of the GDR. The focus of the ideopolitical preparations for this significant event is the task of conveying to all citizens a concrete image of the establishment and development of our GDR as a stable and socialist state in the heart of Europe.

For the first time in German history, the establishment of the worker-peasant power gave rise to a state whose way and goal correspond to the character of our epoch of transition from capitalism to socialism. This paved the way for the nature of the epoch, which had been introduced with the Great October Socialist Revolution, to gain ground on German soil, too. For the first time the working people became the masters of their own fate. In firm alliance with the Soviet Union and as an inseparable part of the community of socialist states, those ideals gained definite shape in the GDR for which many generations had struggled and made inconceivable sacrifices, and had risked their lives. In the native country of Karl Marx and Friedrich Engels the ideas of the founders of scientific socialism and the ideas of V.I. Lenin, who continued their work, are becoming reality. The GDR is deeply rooted in the entirety of German history. All revolutionary, democratic, and humanist traditions of German history have been preserved and kept alive in the first German worker-peasant state. It is in particular the goals of the revolutionary workers movement, of the progressive forces allied with it, and of the antifascist struggle which are being again and again given life, continued, and enriched in the GDR day by day and by generation after generation.

As it corresponds to historical truth, to the real course of history, it is also necessary to explain—in accordance with the facts and in dealing with imperialist falsifications of history—how the German monopolistic bourgeoisie in alliance with the Western powers split Germany under the slogan "Better half of Germany in its entirety than all of half of Germany," and prevented the open class struggle with the progressive forces in a unified, democratic German state.

Next year we will celebrate the 500th birthday of Thomas Muentzer, the leader of the rebel peasants in the Great German Peasant War of 1525. On this occasion the memorial on the Schlachtberg near Bad Frankenhausen, which has been built in commemoration of the early bourgeois revolution in Germany, and Werner Tuebke's painting, which is dedicated to this time, will be opened to the public.

In our view, the task of Marxist-Leninist history is to provide a balanced image of history and to draw lessons from the past for today and tomorrow. With this it strengthens the knowledge that our party and our people have a revolutionary and humanist tradition of century-long struggles for social progress, for freedom, and for the rights and dignity of man.

Our historians are intensively working on the four-volume history of the SED. Nothing is being hushed up or glossed over. History is being presented as it really was, in all its greatness and with all its complications. We do not see any reason to start looking for "white spots" and to push the progressive efforts in the history of the German people, the real social performances and achievements of our party and of the GDR, into the background. Already after the Eighth World Congress of the Comintern, at its conference in Brussels in 1935, the KPD commented on its mistakes during the Weimar Republic. Already after the 20th CPSU Congress, the Central Committee and the Central Party Control Commission dealt with questions in connection with the violations of laws and reprisals in the Soviet Union in 1937-38, which also affected German Communists, including members of the KPD Central Committee. In 1956-62 the affected comrades were fully rehabilitated. Our party deeply deplored and categorically condemned the violations of laws and the personality cult around Stalin. This will also be described in the history of the SED.

We put great expectations in our social scientists and in their contribution to the further development of our revolutionary theory and practice, and in particular in their answers to newly emerging social questions. In socioscientific propaganda this means: Being based on life, militant, and not so much laying things down simply as facts but much rather providing thorough arguments, our Marxist-Leninst ideology and our party's creative policy, which is based on it, have to be defended in the struggle of ideas and in the struggle for the thoughts, feelings, and actions of the people.

Conflict Between Socialist and Bourgeois Ideology [subhead]

The conflict between socialist and bourgeois ideology continues in spite of increasing cooperation between socialist and capitalist states. This will remain so as long as both social systems exist. This conflict should be pursued in a civilized form. At present, however, imperialist forces are trying in an unacceptable way to take it into the state relations and also into the extremely sensitive area of disarmament.

To the extent to which the lie of the "Threat from the East" is losing credibility because of the convincing peace initiatives of the socialist countries, imperialist media and politicians are shifting their ideological attacks to "substitute venues," in particular to accusing the socialist countries of a deficit in human rights.

We ourselves implement the human rights in their entirety, develop them, and consolidate their guarantees not as "concessions" or under pressure but because this is part of the development of the nature of socialism. It corresponds most deeply to the humanist nature of our social system that we consider the right to peace and the right to social security as the most basic of all human rights.

In March, answering a corresponding poll of the UN Secretary General, the GDR extensively and convincingly explained its achievements.

The baiting campaign directed against socialism with regard to human rights is also aimed at diverting attention from one's own problems and from the instability of state monopolistic capitalism. The opponents of socialism have neither a historical nor moral or juridical right to pose as prosecutors or judges on questions of human rights. Apartheid, racism, unemployment, hunger, poverty, homelessness, underdevelopment—are these not things that are all present in the world of capital or as a result of imperialist policy?

In our ideological work we will, of course, leave no doubt that the antagonistic contradiction between socialism and capitalism remains. Imperialism remains a serious opponent in the conflict of the systems, and an opponent with considerable economic and scientific-technological potentials, who uses these potentials to ensure its interests. Nothing has changed in the nature of imperialism, as the history of the 20th century proves. Again and again, its womb gives birth to war-greedy forces, which can be dangerous if they are not kept in check in time. We do not cease to expose the aggressive circles of imperialism as the main obstacle to social progress and as the main source of the dangers that threaten mankind.

In particular under the conditions of the worldwide struggle for the existence of mankind, the active intellectual response to the policy and ideology of the imperialist reaction is a militant task on the ideological front. In this connection, we also oppose those bourgeois ideologists and journalists who, with their outdated concepts of GDR socialism, consciously distort and adulterate the real situation of our dynamically developing society and of our party's creative policy.

Convincing Political Work Among the Masses [subhead]

During the period under review the bezirk and kreis leaderships consistently worked to further consolidate the relationship of trust between the party and the people through convincing political work among the masses, which is adjusted to the demands of our changing time, and to win all citizens for the further implementation of the decisions of the 11th SED Congress.

The focal point is enabling the comrades to explain in trusting talks to the citizens the tested course for peace and socialism and to base their explanations on what has

been achieved in 40 years of building socialism, in particular after the Eighth SED Congress, on what will have to be done over the next few years, and on what depends on each individual. In particular the party's kreis leaderships are called upon to provide effective aid to the basic organizations in the form of information and arguments, so that they can answer the citizens' questions in a party-minded and realistic way. When discussing the topical political events, it is important to make clear the basic interrelationship between a dynamic economic development, the rising living standard of the people, political stability, and the GDR's high international authority. In view of the escalated ideological conflict between the two social systems, it is the task of every comrade to actively defend our policy at any time and not to give the enemies of socialism a chance with their lies and their instigations.

At aktiv meetings and in exchanges of experiences on ideological work, the bezirk and kreis leaderships issued guidelines to further intensify political work among the masses in the work collectives. In particular in the consistent application of comparative performance appraisals in the brigades and masters' sectors and in the widespread use of optimum experiences, there still exist great possibilities to accelerate scientific-technological progress, to raise the efficiency and quality of work. Experiences confirm that high readiness for performance, a sense of responsibility, and creative participation in work flourish everywhere where the ideas and proposals of the working people are in demand, where the reasons for problems are discussed, and where the concerns of the working people are taken seriously.

In accordance with Erich Honecker's guidelines in his speech before the first secretaries of the SED kreis leaderships, the bezirk leaderships are organizing the exchange of experiences of party secretaries and journalists of enterprise newspapers on how—with the broad participation of the working people—the 667 enterprise newspapers, as the organs of the enterprise party organizations, more effectively report on work and life in the enterprises, help organize the fulfillment of pledges, and discuss questions and opinions on political events from people working in the enterprises .

At the 12th Congress of the GDR Journalists Association, which took place in Berlin on 3-4 March 1988, the 600 elected delegates reported on the results of their work and on the further demands posed by the 11th SED Congress on the GDR's mass media. On behalf of the more than 9,000 journalists from press, radio, and television, the delegates to the conference expressed their determination to live up to the topical ideopolitical tasks with a high standard of contents, firmly adhering to the principles, with many ideas, and with a great effect on the masses.

Marxist-Leninist education work and the conveyance of experiences in the field of guiding political work among the masses is of basic importance for further ideopolitical work.

These days, more than 70,000 party cadres, including a high proportion of secretaries and leading members of basic organizations, as well as young cadres, are concluding their long-term Marxist-Leninist basic and advanced training at the party schools of the bezirk and kreis leaderships. With this the cadres are well equipped to live up to their leading role and their close affinity with the working people in the further successful implementation of the decisions of the 11th SED Congress.

During the period under review, more than 1.9 million participants of the party school year systematically deepened their knowledge about the social strategy that was started by the Eighth SED Congress in 1971 and has proved its worth for 17 years, and at the same time familiarized themselves with the tasks needed to further implement the decisions of the 11th SED Congress.

The scientific conference, which was held by the "Karl Marx" Party College together with the Karl Marx University on the occasion of Karl Marx's 170th birthday, was a constructive contribution to increasing the effectiveness of ideological work. At the conference it was comprehensively proven that the teachings of Karl Marx, Friedrich Engels, and V. I. Lenin are more topical than ever and that the SED's social strategy has fully proved its worth as the creative application of Marx's teachings, and has become the basis of important successes in the overall strengthening of socialism in the GDR and in the struggle to safeguard peace.

In May the Central Committee Secretariat accepted a report of the URANIA Presidium on the development of popular scientific propaganda since the 11th SED Congress and on the preparation of the elections in the URANIA member groups, city, city district, and kreis executive committees. The party organizations should use URANIA's potentials even more purposefully for broad, ideological propaganda, to raise the standard of basic and advanced training of the working people, and to enrich the scientific and intellectual-cultural life in their spheres.

VII. [Roman seven] To Further Raise the Militant Strength of the Party Organizations [chapter head]

Dear comrades, the period under review was characterized by the uniform and cohesive work of our party to further successfully implement the decisions of the 11th SED Congress.

The Politburo constantly worked to increase the party's leading role in all fields of social life, to further raise the militant strength of the party organizations, and to improve the leadership style of the leading party organs and basic organizations in such a way that the party's trusting relations with the masses live up to the requirements of our time.

The results achieved in this respect impressively demonstrate that this principled and clear guideline fertilizes the entire intellectual life in our country, promotes the optimistic, progressive atmosphere, and is the starting point for the active work of millions of party members and working people.

The sessions of the bezirk leaderships, kreis party aktiv meetings, and weekend training courses with party secretaries, leadership members, and functionaries of the state, the mass organizations, and the economy, which were held in accordance with the decision of the Central Committee Secretariat and were attended by 720,000 comrades, confirmed the knowledge that the qualitative developments occurring in our society on the basis of our party program and of the decisions of the 11th SED Congress require the steady raising of the party's leading role and its work in close affinity with the masses. This includes ensuring in the leadership work of the party organs that all forms and methods of socialist democracy are being comprehensively used, further deepened, and expanded in order to integrate all working people with even better results in fulfilling the tasks of the economy, of the state, and of society.

The Politburo accepted a report from the SED Cottbus Bezirk leadership on the evaluation of the conference of the SED Central Committee Secretariat with the first secretaries of the kreis leaderships, and the implementation of their tasks. The constructive work of the bezirk party organizations to implement the decisions of the 11th SED Congress were paid tribute to, and all working people of the bezirk received thanks and respect for their great contribution to the overall strengthening of the GDR, in particular for the achievements accomplished to safeguard a stable energy supply in our country.

As the experiences conveyed in this report show, a high standard of political leadership work under our present conditions of struggle requires:

—To see all demands of implementing the domestic and foreign policy of the 11th SED Congress in their unity and interrelationship, and to tackle each specific task in such a way that the trust of the masses in the party's policy is being further strengthened;

—To integrate the working people early and specifically into the preparation and implementation of decisions which concern further performance growth in connection with improvement according to plan of working and living conditions, and to make socialist democracy in all spheres of life something that can be experienced by each citizen;

—To aim the potentials at those focal points on which successful progress decisively depends, to rely even more strongly on domestic reserves, and not to let any area lag behind;

—To purposefully raise the party's influence, to thoroughly ponder the political effects of decisions on the citizens, to develop the style of work that is close to the masses, so that everyone feels daily that the party is there for the people.

The higher demands on the quality of political management of economic processes in order to successfully master the tasks set by our economic strategy, in particular the development and application of key technologies, require that every step forward be made in close cooperation with the collectives and their managers.

The SED basic organization of the VEB Semiconductor Works, Frankfurt (Oder), reported to the Central Committee Secretariat on results and experiences in developing inner-party life and in politically guiding scientific-technological tasks.

The work of this strong militant party collective confirms that considerably more importance is attached to the concerns of the people as a result of the widespread introduction of key technologies. It proves of particular significance to party work to make the working people adjust in time to the new requirements, to changed work contents, to shift work, and to new work collectives and managers, and to ensure basic and advanced training, with regard to specific tasks, in this spirit.

The report conveys the experience that the different working conditions for working people in the new, modern manufacturing stages and for those who continue production under the old conditions have to be kept firmly in mind in management work. On the basis of clear concepts, modernization and rationalization have to be advanced purposefully and production organization and qualification of management work has to be perfected. Within this process, it must not be permitted anywhere that the work with the working people, their personal concerns, and the development of party influence are neglected.

As the experience of this basic organization confirms, meaningful, educationally effective, and inspiring party work, the development of an ambitious inner-party life, in particular of inner-party democracy, is the alpha and omega for mobilizing the members and candidate members for great scientific-technological achievements. The membership assemblies, the party study year, the work of the party groups, and individual work are to be adjusted even better to this political demand in order to equip the comrades well for standing at the forefront of the struggle for scientific-technological progress.

Preparations for the 1988 Party Elections [subhead]

Comrades, the Politburo has established the Central Committee directives for the 1988 party elections.

Their publication in our party's central organ NEUES DEUTSCHLAND acquainted all our people with the questions which are the focus of the SED in the party elections, and with the essence of its policy.

The Central Committee directives are a clear guide for the successful fulfillment of tasks put forward during the meeting of the Central Committee Secretariat with the first secretaries of kreis party leaderships with a view to successfully implementing the 11th SED Congress decisions. They channel the attention of party leaderships to the main issues of political leadership and they make heavy demands on work and on individual creative thinking.

In accordance with the basic requirements of the party elections formulated by the directives, what is at stake is to raise the leadership capability of each party organization and of its leadership, as well as the militant readiness of all full and candidate members of our party, to the level of the new requirements.

In this sense, all comrades are called upon to turn the party elections into an event of peak activity and commendable initiatives by the party and all people to prove the merits and advantages of our republic even more convincingly. For this purpose, bezirk and kreis leaderships are responsible, to a greater extent, for the direct support of basic organizations, so that the unity and solidarity of our militant alliance will be further strengthened and that inner party life will be organized in such a way that all comrades will support and implement the party policy in word and deed in an enthusiastic and committed way.

The party organizations will be well advised if, in preparation for the party elections, they base their activity on concrete analyses of their militant capability, if they widen honorary party work, attract many comrades to working out materials, seek the exchange of opinion with innovators and the best workers, and if they capitalize on the combat experience of the party and working people's collectives.

On a broad democratic basis and in accordance with the election regulations of the SED Central Committee, the party collectives should propose those comrades to the new leaderships who guarantee a high action capability of party leaderships and who enjoy the confidence of the working people. The composition of the leaderships should be in keeping with the given concrete working conditions of basic organizations and, on the whole, in keeping with the nature of the party, namely being the party of the workers class and of the whole nation.

The election regulations stipulate that, as is customary in our party, the elections should be held by secret ballot.

The following tasks have been set for the political leadership activity in further preparing the party elections:

1. The further consistent fulfillment of the tasks put forward in Comrade Erich Honecker's speech to the first secretaries of kreis leaderships is the main topic.

It is necessary to lend an open ear to the concerns of our citizens and to organize political-ideological work even more purposefully and in a differentiated way, so that the insight gained may be turned into deeds in order to strengthen socialism and to ensure peace.

2. A broad movement has to be ensured within the party collectives in order to be able to hold meetings on election returns with plans that have been fulfilled and obligations that have been honored. For this purpose, we have to combine our efforts aimed at great achievements in our day to day work with the preparation of the 1989 plan. The SED full and candidate members are called upon to increase their contribution, on the basis of their own constructive proposals and exemplary performance, to the multifaceted strengthening of the GDR in its 40th foundation anniversary.

Conclusions must be drawn from the assessment of the militant programs on the plan fulfillment results in the first half of the year in order to develop what has been achieved during the summer months and to create preconditions for the fulfillment of all 1988 targets. Therefore, the comrades within mass organizations must be supported actively in guiding socialist competition and the "FDJ-Appeal GDR 40."

3. The preparation and carrying out of accountability reports, and the election of leaderships must concretely contribute to enhancing the leading role of our Marxist-Leninist militant alliance in implementing the 11th SED Congress decisions. This makes it necessary for the leading party bodies and basic organizations to work toward perfecting the standard of inner party activity. The main focus is to capitalize better on the great possibilities and potentials of inner party democracy and to attract the comrades to a greater extent to the activity of solving the tasks of their working collectives in order to increase their personal responsibility for the consistent implementation of the party decisions in all stages of our struggle.

Comrades, the Politburo is submitting this report to the sixth plenum of the Central Committee in the belief that the full and candidate members of our party, in close alliance with the working people, will fulfill the exacting tasks aimed at economic, social, and cultural development in 1988 and thus strengthen the GDR even more.

Grosz Interviewed on Government Activity

AU2006155088 Budapest NEPSZABADSAG in Hungarian 16 Jun 88 p 3

[Interview with MSZMP General Secretary and Premier Karoly Grosz by Laszlo Szabo: "Karoly Grosz' Statements on the Further Development of Government Activity and the Demands of Territorial and Local Reorganization"—following the founding session of the Council Affairs Collegium in Parliament on 15 June]

[Text] [Szabo] The establishment of the Council Affairs Collegium is an important step in the reform of government activity. What do you expect from this collegium?

[Grosz] I expect precisely what I saw today. We expected a forum for local council leaders with different opinions and experiences, a forum where they could share their problems not only with the premier—although this is important—but also among themselves. One of the exciting aspects inherent in such a discussion is that communication develops among the participants, communication which is not determined by a territorial hierarchy but is based on a free exchange of views among equal people. One of the speakers at the founding session said that although the members of this collegium are equal, they do not have the same chances in the discussions because their levels of information are different. This is only natural, and we cannot eliminate this from this process. However, the exchange of views in itself proves its own usefulness because similar experiences derive from various elements of personal information. This whole thing is alive and authentic, one feels that this is life. The fact that life has thus become part of the decisionmaking process will reduce the leadership's chances of making mistakes.

[Szabo] The creation of this new body is in fact the result of the reform in government activity. What is still pending in the reorganization of government activity and in the further development of the Hungarian state administration?

[Grosz] There are still many things to be done. First, we must decide on certain issues related to the organizational system of central management, like the issue of science management. When we eliminated the government committees, we did not decide on the scientific policy committee, not because we were lazy but because we were not yet ready with the concepts. Now, an extremely valuable and high-level study has been prepared on the issue of science management. We do not want to change the organization of the Hungarian Academy of Sciences, at least not in the course of this decade. I do not know how this will develop in the future. In addition to the Hungarian Academy of Sciences, however, there are several scientific workshops that are managed by the state and it seems that these are not coordinated. In addition, the assets are too widely scattered. If we want to break out of this situation, we must concentrate our potentials. Applied scientific research—and we are not talking here about one institute—is one of those fields which need greater coordination. We need here a more efficient and vigorous system, if it is true that we have to reduce the concrete practical issues in the party guidance—and this is what we want—and the party should focus on the scientific strategy, and the government should deal with the practical issues. But then we must change the whole thing because, at present, the scientific policy committee is part of the government and the party deals with the practical issues. This whole thing has not yet been thoroughly thought out.

And the issue of the Ministry of Construction and Urban Development is also open, not as a ministry but whether it is a good practice for settlement development to be part of this ministry. Several possibilities have emerged, like the Planning Office or the environmental protection, but we have not yet decided on this matter either.

The third important element that needs consideration is an issue connected with the Planning Office and the Finance Ministry—the issue of the Material and Price Office and of the State Office for Wages and Labor. Perhaps we should not touch on this problem in our current situation, and perhaps it is not even justified; in any case, we must study this problem prior to making a decision. Therefore, we are not starting with a concept but with a situation analysis and evaluation, and only then will we decide. As for the territorial government activity, and this has transpired from today's debate, the problems here are primarily connected with attitude, work style, and methods, rather than organizational problems. We are still in the initial phases of discovering these problems. Another element is the division of labor between territorial party and government management bodies, and between local council and public organizations, an issue which in some of the political institutions reflects primarily the problems facing the party guidance.

[Szabo] One could notice great expectations at this meeting on the part of the Interior Ministry which has become the new center of management for the local councils. You mentioned that the "blue" character of this ministry should be slightly reduced. What do you mean by this?

[Grosz] I have some ideas about this, but these are still too rough to present. Together with the interior minister, my collaborators in the party center, and my colleagues in the government, we have been pondering on how to proceed on the proper road based on concepts.

I will give you just one example. Our national police system has been in force for a very long time. However, even if it has the authority, this is not evident in the public opinion and in practice as an independent and nationwide institution. It is, therefore, worth considering whether this institution is needed at all. In my view, there is need for such an institution. But independence has to be more thoroughly implemented within the

Interior Ministry too. This must be thoroughly evaluated and settled through systematic work. I would like to see things moving in the direction of an Interior Ministry that participates increasingly in the country's domestic political life and domestic public movements, and which becomes the mobilizer, organizer, and animator of these movements, rather than being only in charge of keeping order and criminal investigations. Of course, the latter is important too, but I am not sure that the present organization is the most adequate to perform this.

[Szabo] Is it possible to imagine a city police force that is under the authority of the local town council?

[Grosz] This has already been discussed. We consulted with the county council chairmen on this issue during an earlier debate. Besides, this system works in many places in the world, and would not be a Hungarian invention. Therefore, in my view, it is possible to imagine such a system in Hungary. Besides, many things can now be imagined in Hungary, but everything should be considered calmly, thoroughly, and in an orderly way. Therefore, we should not stop at partial measures, but things should be shaped as an integral whole. Otherwise, all we will be able to do later on is to constantly adjust and correct our steps. Certain measures will require adjustment anyhow, because it is impossible to fully implement a concept worked out in an office, but one should try to make as few adjustments as possible.

[Szabo] Many independent ideas are also needed for more council independence. Is the current councils' system able to produce such independent ideas?

[Grosz] I am convinced that it can. On the one hand, the democratic functioning of the entire mechanism has already reached a level which will enable the free flow of ideas. The free public atmosphere and openness prevailing in Hungary help this serious course of development. This atmosphere also encourages the local leaders, council leaders, and their staff. On the other hand, I am convinced that the Hungarian public administration is made up of a well-trained and committed apparatus and elected officials. These people know their jobs, are ready to make sacrifices, and know how to approach people in an open way.

If this apparatus—which is not too big—also contains some less qualified people, all I can say is that this is only a natural part of life. There will always be people who are unable to meet the increasing demands, and there will always be outstanding professionals. I see problems which were discussed at the present meeting in another area, namely, that the many regulations which are useless in many respects and do not even work, discourage and restrict the activity of these professionals even if we encourage them by our words and declarations. However, the very thought that they are surrounded by such restrictive pillars only disturbs their efficient activity. If the entire mechanism were freed of these restrictions, it would become much more efficient. And one more thing. I am convinced that our state apparatus is not too large, because a modern state administration is manpower-intensive everywhere in the world, but the problem is that this apparatus is underpaid. Although we do not have a single cent at present to change this state of affairs, my opinion clearly shows my intention. I would be happy if this were emphasized on a long-term basis.

Police Communique on Arrest of Demonstrators

AU2006130788 Budapest NEPSZABADSAG in Hungarian 17 Jun 88 p 7

[MTI report: "Police Communique"]

[Text] Despite prior warning by police organs, a group consisting of people who have actively carried out hostile activities during the events of October 1956 and other people gathered in the center of Budapest in the afternoon hours on 16 June. Using slogans against the system, they tried to influence the crowd of 350-400 people that they had mobilized. In order to keep public order, the police took the necessary measures. In the course of these, they arrested Sandor Racz, Gabor Demszky, Roza Hodosan, Jeno Nagy, and Peter Egeto, all Budapest residents.

Further on Elimination of Romanian Villages

KISZ Issues Letter

AU2106083888 Budapest MAGYAR HIRLAP in Hungarian 17 Jun 88 p 6

[Unattributed report: "Position of the Executive Committee of the KISZ Central Committee on the Romanian Plans—Eliminating the Villages Contradicts Reason"]

[Text] In its 16 June session, the Executive Committee of the KISZ Central Committee held a discussion on the decision made in Romania to eliminate villages and communities. The executive committee took a stand on this issue and will also brief its partner organizations abroad on its stand. The document stresses the following:

The young Hungarian people are following with concern the Romanian decisions of recent years which have a detrimental effect on the national minorities living there. We believe that our common history and future connects us with the young people in neighboring countries. We are fighting for the establishment of a world and a socialist future in which real democracy will prevail, a democracy where communities which speak different mother tongues and have different cultures peacefully cooperate with each other in a respectful manner that mutually enriches them, and where detrimental national minority discrimination is eliminated. This is not only our concern, it is our mutual task.

We have for years been witnessing a series of measures intended to restrict and accelerate the gradual disintegration of the rights of the national minorities living in

Romania. The recent decision which, in the name of modernization and "settlement reorganization" aims at eliminating ancient villages, defies logic and the people's sense of humanism.

The implementation of this program and the liquidation of the past will deprive all of us from the opportunity to get acquainted with our present and build our future. The culture of people and nations is the universal treasure of all humanity, and not just the domestic affair of any one country. Everyone should protect this treasure.

According to the stand taken by the Executive Committee, this process which similarly consumes Hungarians, Saxons, Serbians, other national minorities, as well as Romanians can still be stopped. The young people are carrying a joint historical responsibility in this respect. Therefore, the Executive Committee of the KISZ Central Committee is issuing a letter to the Romanian Union of Communist Youth: "Let us, members of the new generation, set an example and collaborate!"

Lawyers Express Opposition

AU2106104588 Budapest MAGYAR NEMZET in Hungarian 17 Jun 88 p 6

[MTI report: "Appeal of the Hungarian Lawyers"]

[Text] The Lawyers National Council sent an appeal to various world lawyers' organizations in which it protests against Romania's plans to reduce small-sized settlements by the end of the century and against the destruction of villages in Romania. The barbaric and senseless destruction of the universal values of human culture will destroy the proof of the thousands of years of the historical existence of the minorities that live there. The Hungarian lawyers consider that the Romanian measures flatly contradict the Universal Declaration of Human Rights. Therefore, the lawyers council calls on all the lawyers' organizations in each country of the world to join them in protecting the universal human rights and values and to speak up at every forum and in every way, in protest against measures aimed at destroying Hungarians and other minorities living in Transylvania, measures which are at variance with the 20th century way of thinking.

More Associations Protest Plans

AU2006182388 Budapest NEPSZABADSAG in Hungarian 18 Jun 88 p 6

[MTI report: "Further Protests Against Elimination of Villages in Romania"]

[Text] More Hungarian associations of artists and scientists have raised their voices against the Romanian plan to erase the villages of Hungarians and other national minorities living in Romania, and for preserving the historical and cultural heritage of Europe as a whole. The heads of the churches in Hungary issued an appeal headlined: "Everyone Should Prosper in His Own Homeland."

According to the appeal, which is based on their evangelical responsibility and is written from an ecumenical point of view, the various churches in Hungary provided assistance to the resettlers because this is how they must act as Christians. Through their help, they expressed the view that every national minority should prosper in its own homeland and live a life worthy of a human being. The Hungarian churches hope that their Christian belief serves the cause of reconciliation. They are ready to think and pray together with the churches in Romania and their leaders and followers. As a result of the Romanian plans, 1,000-year old cultural values of European civilization, villages and their churches, are doomed to perish. Therefore, the Hungarian churches call upon every believer, brother, friend, church, religious and secular organization, and every man of goodwill to help spread the publicity as far as possible. "We hope and pray for every initiative of reconciliation, and also for the coming visit and talks of our premier in Romania"—the appeal says.

At its meeting in Gyor, the Association of Hungarian Archeologists and Art Historians protested the Romanian measures. As protectors of Hungarian historical and artistic monuments, the association called upon the government of the Hungarian People's Republic to raise its voice to save the pan-European historical and cultural heritage.

The Association of Hungarian Painters and Artisans issued an open letter addressed to every creative artist and intellectual in Romania expressing the hope that they share the common concern over the Romanian plans. Among other things, the open letter stressed the following: Preserving and developing the culture of national minorities are a universal national and human responsibility which must be consistently met.

Joining the appeal of the Association of Hungarian Architects, the Hungarian dramatists and theater professionals called upon their counterparts all over the world to raise their voices in order to save the villages in Romania.

Romanian Report Cited

AU2106085488 Budapest MAGYAR NEMZET in Hungarian 17 Jun 88 p 3

["d.d.i." article: "Romanian Newspaper on Territorial Reorganization..."]

[Text] Hereby we publish excerpts from an article carried by the 14 June edition of ELORE, a newspaper that appears in Romania, entitled "Territorial Reorganization—A Comprehensive and Complex Program To Ensure Prosperity for the Localities of Our Country."

"...These new community centers open up great prospects for further socioeconomic and cultural development and ensure civilized living conditions for the inhabitants. In order to program the building area, the structure, and organizational methods for these settlements, the people's councils draw up the organizational plans, which, in accordance with the town planning norms, should include funds for social, cultural, and commercial establishments as well. We will build 12-grade high schools and vocational schools, hospitals with 50-100 beds, and houses of culture in these uniform state and cooperative agro-industrial centers, thus we will see to it that living conditions and the level of civilization for the inhabitants of these centers comes close to town conditions.

"In accordance with the town development law, the buildings will be standardized and each household will have 200-250 square meters for living quarters and adjacent farm-buildings, that means that in case of grouping 4-6 households in one building, 80-90 square meters will be reserved for vegetable gardens...in order to make proper use of the land, the size of the farming units, which includes the adjacent farm buildings as well, will be established in accordance with the strict norms-...the plans for each agro-industrial center should be drawn up by 1990, and their modern organization should be virtually finished by the year 2000...this is a responsible action, since it determines the future development and socialist aspect of our localities."—concludes the article.

Romanians Turn Down Invitation to Bartok Funeral

LD1706181588 Budapest Television Service in Hungarian 1730 GMT 17 Jun 88

[Text] A delegation from Bela Bartok's native village will not be at the burial of the great composers' ashes, which are to be returned to Hungary. The Hungarian Government committee which is organizing the event invited representatives of Nagyszentmiklos to Budpaest and offered to host the visitors.

The Romanian authorities have now informed the Hungarian Embassy in Bucharest that the people of Nagyszentmiklos will not be accepting the invitation. The invitation was sent to Romania on behalf of the Presidential Council and the Council of Ministers.

Egyptian Vice President Lutfi Pays Visit

Holds Talks With Grosz

LD2006103588 Budapest MTI in English 0958 GMT 20 Jun 88

[Text] Budapest, June 20 (MTI)—Karoly Grosz, chairman of the Council of Ministers, met 'Ali Lutfi, speaker of the Shura Council of the Egyptian parliament, at the parliament building on Monday. The cordial talks were attended by Janos Peter, deputy speaker of parliament, and Fu'ad Hamdi 'Abd al-Fattah, ambassador of the Arab Republic of Egypt to Hungary.

Interviewed Prior to Departure

LD2006182388 Budapest MTI in English 1615 GMT 20 Jun 88

[Text] Budapest, June 20 (MTI)—Rezso Trautmann, vice-president of the Presidential Council, and Karoly Grosz, chairman of the Council of Ministers, met 'Ali Lutfi, vice-president of the Arab Republic of Egupt and chairman of the Shura Council of the Egyptian parliament, in Budapest Monday. The talks were attended by Fu'ad Hamdi 'Abd al-Fattah, ambassador of the Arab Republic of Egypt to Hungary, and Janos Peter, vice-president of the National Assembly.

After the cordial meetings, 'Ali Lutfi gave an interview to MTI. He said "I am visiting Hungary at the head of the delegation of the Shura Council, the upper house of the Egyptian parliament. I have met several leading statesmen, including the vice-president of the Presidential Council, the prime minister, the president and vice-president of the National Assembly, the chairman of the foreign affairs committee and the foreign minister, and had the opportunity to convey them the good wishes of Husni Mubarak, president of the Arab Republic of Egypt, the Egyptian Government and the people.

"The comprehensive talks with Hungarian leaders covered foreign political issues. We stated, among other things, that the only way to settle the Middle East issue is to guarantee the rights of the Palestinian people. For this, it is indispensable to convene an international peace conference with the participation of all interested parties. On the 11-year-old Lebanese crisis, we shared the view that the brutal atrocities should be stopped as soon as possible. According to Egypt, all foreign forces should be withdrawn from the country and then it should be left to the Lebanese to settle their own affairs.

"With regard to the Iranian-Iraqi war, we agree with our Hungarian partners on the necessity to enforce the resolution of the U.N. Security Council, cease the armed clashes and start immediate talks on peace. As far as the creation of a nuclear-free world is concerned, we highly appreciated the results from the Washington and Moscow summit of Gorbachev and Reagan, including the treaty on the abolition of medium-range msisiles. We support any agreement likely to lead to the elimination of threat, and the creation of a peaceful world.

On the talks with Hungarian leaders, the Egyptian politician said, "The development of bilateral links is considered important by both parties. We expressed our common readiness to make headway and expand cooperation in the field of the economy, both export and import, culture, science and agriculture. During the talks I invited to Egypt the vice-president of the Presidential Council of the Hungarian People's Republic, who

accepted the invitation. The date of the visit will be decided later. I was pleased to renew, on behalf of Prime Minister 'Atif Sidqi, our invitation to Hungarian Prime Minister Karoly Grosz. The date of this visit will also be fixed through diplomatic channels. As chairman of the Shura Council, I also invited the president and vice-president of the National Assembly.

With regard to Hungarian-Egyptian economic cooperation, he said, "I think if the Egyptian entrepreneurs and businessmen came to Hungary more frequently, their more profound knowledge of the level of technological development and the Hungarian products would allow for more extensive relatons. For instance, I have heard of the considerable results of agricultural species improvement research in Hungary, and it occurred to me why should we spend vast currency amounts on improved seeds, when the we could get them under bilateral cooperation against appropriate counter-items possibly from Hungary? On returning to Egypt, I shall propose our prime minister to delegate the agricultural minister to your country to become familiar with agricultural research under way in various fields in Hungary.

On Monday the delegation of the Shura Council of the Egyptian parliament, headed by 'Ali Lutfi, left Budapest after a visit on the invitation of Istvan Sarlos, president of the National Assembly.

Medgyessy Discusses Relations With Italy

AU1906135388 Budapest NEPSZABADSAG in Hungarian 11 Jun 88 p 4

[Report by Gyula L. Ortutay, NEPSZABADSAG correspondent in Rome, on press conference held in Rome on 10 June by Deputy Premier Medgyessy: "Italy Supports Soonest Possible Conclusion of EEC-Hungarian Agreement—Peter Medgyessy's Press Conference in Rome"]

[Excerpt] [Passage omitted] Peter Medgyessy, deputy chairman of the Council of Ministers, who held talks in Rome on 8 and 9 June and who went to Brescia and Milan on 10 June to hold talks with Italian business and financial representatives, said in his press conference that the fact that the Italian Government had promised to support the conclusion of an agreement between the EEC and Hungary is a source of great happiness for Hungary. He described his talks with Deputy Prime Minister Gianni de Michelis, Minister of Treasury Giuliano Amato, and Senate Chairman Giovanni Spadolini as useful and interesting.

Speaking about his talks with his Italian partners, Medgyessy said that they discussed the possible development of relations between the EEC and nonmember countries after the establishment of an integrated West European market in 1992. They agreed that both sides should prevent relations from weakening by establishing adequate mediation system. Both the Hungarian and Italian sides stressed the necessity for modern forms of cooperation. Medgyessy reported that the Hungarian-Italian trade relations are developing well. Considerable increase has occurred in the 2 last weeks; the turnover in 1987 amounted to $620-$630 million. Italy is Hungary's third most important capitalist partner. The turnover can even increase to $700 million in 1988. Measures aimed at encouraging the investment of private capital in Hungary are also being prepared by the Italians. The Hungarian-Italian agreement on the protection of investments which has already been signed is due to be ratified.

Answering questions, Medgyessy expressed the opinion that the improving relations between the two big powers are increasing the scope small and medium countries have in promoting detente and cooperation. [passage omitted]

Kadar Meets FRG Economics Official

LD2106014788 Budapest MTI in English 1606 GMT 20 Jun 88

[Text] Budapest, June 20 (MTI)—On Monday Janos Kadar, president of Hungarian Socialist Workers' Party and member of the Presidential Council, met in Budapest Otto Wolff von Amerongen, chairman of the German Economic Eastern Committee of the Federal Republic of Germany, currently attending the Budapest symposium of the FINANCIAL TIMES.

The cordial talks covered the situation of Hungary-FRG relations, particularly possibilities for the intensification of economic cooperation, and a few issues of international life.

GDR's Honecker To Pay Official Visit

LD2006181688 Warsaw PAP in English
1709 GMT 20 Jun 88

[Text] Warsaw, June 20—General Secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the Council of State of the GDR Erich Honecker will come to Poland in connection with the 4th Days of Friendship of Polish and GDR Youth in Wroclaw.

Honecker will visit Poland at the invitation from PUWP CC First Secretary and Poland's President of the Council of State Wojciech Jaruzelski.

Council of Ministers Meet, Discuss Issues

LD2006211588 Warsaw PAP in English
2008 GMT 20 Jun 88

[Text] Warsaw, June 20—The Council of Ministers met here today to acquaint itself with the results of the official visit to the People's Republic of China by Poland's Prime Minister Zbigniew Messner.

Assessment of Messner's Chinese Visit [subhead]

The talks confirmed the striving of the two states for the further comprehensive development of mutual relations and cooperation.

The Council of Ministers attentively noted new Chinese economic solutions and recommended that analyses of these experiences be made, among other things, with a view to studying possibilities to use them in the implementation of the second stage of the economic reform in Poland.

The Council of Ministers ordered the Ministry for Foreign Economic Relations and other competent ministries and institutions to work out a timetable of actions and concrete proposals to expand the range of economic cooperation, trade exchange and scientific and technological cooperation with the People's Republic of China, in tune with the "Programme 2000".

Economic Reform in 1987 [subhead]

The Council of Ministers approved of the assessment of the course and results of the introduction of the economic reform in 1987.

Last year's economic results could be achieved thanks to the growth of labour productivity and stability of employment in the production sphere. It was also influenced by favourable structural changes in industry and the growth of production in industries which are carriers of technological progress, twice higher than average. Efficiency encouraging factors, stemming from the mechanisms and solutions of the reform, were also put in motion in the economy.

Apart from these positive changes the economic growth rate in 1987 was slower than in the previous years and the economic equilibrium also worsened. The intended material and energy savings were not achieved.

The undertaken systemic changes resulting from the realization programme of the second stage of the economic reform had a considerable impact on the economy. The modification of the management system and central planning, the restructurization of the mechanisms of supplying the economy with resources and materials, the stimulation of pro-export actions, the restructurization of the price system are the main elements of goals aimed at re-establishing economic balance in the shortest time possible.

The (?national) economic solutions had a considerable influence on the development of export production. Income tax allowances connected with export production grew more than three times in comparison with 1986. A more active rate of exchange policy, which assured profitability of exports to both currency regions was conducted.

The development of the self-management of enterprises played an important role in the reforming of the economy in 1987. Widened were the possibilities of organizing and financing joint production-implementation undertakings.

Money-Market Situation [subhead]

The Council of Ministers acquainted itself with a report on the budget situation and the money-market situation after the first four months of the current year and the forecast for the whole of 1988.

The first stage of the restructurization of the structure and making the price system more flexible was completed in the first four months of this year. Making the procurement costs more real and stimulation of more effective management were the motivation behind the increase of prices of the carriers of energy. The scope of price increases of other articles like food, for example, was more limited. This was connected with the decisions undertaken as a result of the nationwide referendum. The process of making prices more real was spaced out in time and the number of operations was reduced. With an improvement of the relation of prices in the area of resources, which hitherto showed a strong deficit, the further subsidizing of certain means of production for agriculture and selected food products will be continued. Work is being carried out on making the price system more flexible—mainly contractual prices in a direction favouring the widening of production and range of products.

The population's monetary incomes in the first four months of the current year grew by 57 percent in comparison with the analogous period of 1987. As far as

foodstuffs are concerned the market situation was varied. Market supplies of fish, milk and cheese increased while supplies of meat and meat products fell.

Actions aimed at improving the market situation will concentrate mainly on increasing supplies of goods through the elimination of delays in supplies, as well as through additional imports of resources, components and production lines.

Research and Development Units [subhead]

The Council of Ministers adopted a draft law on research-development units. The draft envisages that these units will have a right to associate and create companies. This will bring units concerned with solving scientific and technological solutions and economic units closer together.

The status of scientific-research centres will be changed. Some scientific-research institutes, functioning within these centres, will maintain their autonomy of action.

The adopted proposals of changes also specify the principles of evaluation cadres for managerial posts.

Proposals of Amendments of Law on National Defence [subhead]

The Council of Ministers adopted a packet of amendments to the 1967 law on common duty of national defence.

Legal solutions, which create the possibility for citizens of performing their duty of national service in nonmilitary institutions, are the principle element of the draft. At the same time, these solutions would also make the widening of socially useful work possible.

The substitute service in its new form would be intended solely for people who, due to deep convictions of a religious or moral nature, wish to fulfill their constitutional duty in other ways than military service. In case of a positive evaluation by a draft board, widened by a social factor, the draftee people would be directed—by civil administration groups—to enterprises working for the improvement of the natural environment, social welfare, communal and water economy.

During the course of their service, for periods appropriately extended in comparison with the duration of compulsory military service, the person involved would be entitled to benefits similar in value to the costs of training a soldier. Their rights would also be similar.

The Council of Ministers directed the draft law to the Sejm.

Rakowski Comments on PZPR CC Plenum

LD1406231188 Warsaw Television Service in Polish 1730 GMT 14 Jun 88

[Interview with Mieczyslaw Rakowski in the hall of the PZPR Central Committee Plenum by unidentified corresondent—live]

[Text] [Reporter] The seventh plenum was announced as a plenum devoted to personnel policy. Apart from that, just like every plenum, it is a political event in the life of the party. In my view, the time and the events that have taken place in the country have made it so that the members of the plenum devoted, had to devote a lot of attention to the country's economy. So it was politics, economy, and personnel policy.

[Rakowski] Indeed, the plenum had been planned as you described, but it underwent a change, or rather the conception of the plenum underwent a change in connection with the development of the sociopolitical and economic situation in our country in the last few months. The most characteristic feature of the seventh plenum was, first, a deep analysis of that situation and, second, formulating conclusions resulting from that analysis. That, above all, concerns conclusions resulting from an analysis of the economic policy being implemented in the second stage of the economic reform. I should also stress here in respect of that part of the Central Committee plenary session that that appraisal was very critical and self-critical. Comrade Jaruzelski, delivering the Politburo report, spared neither the highest authorities of the party nor the government. That analysis, which was quite extensive, and, as I have already said, very critical and self-critical, produced certain conclusions, which are going to be expressed in the resolutions, which is going to be announced. So there would be no point in my quoting from them here.

Another aspect of the Central Committee plenary session concerned matters connected with national accord, more precisely with the creation of such conditions as would make it possible to win over for the pro-reform efforts various communities, as well as persons, who frequently are still outside PRON. They are outside it in the sense that for a variety of reasons they do not want to participate in PRON, or maybe mainly because of it. Well, the point here is to widen the level of national accord, to seek new methods, new means, and new forms of organization which would be able to bring together, or will make it possible to bring together, people frequently of various views, views which are not in agreement without ours—I am thinking of the party—but people who strive, just like us, to extricate Poland from its present uncomfortable situation.

Finally, another aspect concerns precisely these personnel matters which initially, several months ago, were planned as the main ones. Well, here too a lot was said about personnel policy. Particular emphasis was laid on the need to create real rather than theoretical conditions

for filling posts from the very lowest to the very highest with people who are mobile and dynamic, people who, I'd say, want to leave behind something specific in life, and are capable, or can show themselves to be capable, organizers of production, or organizers of public life.

And finally the last aspect of this plenum, or its last element, are changes in the party leadership, changes which follow from taking into consideration the situation that has arisen. They are also aimed at making the activity of the whole leadership and its individual members more dynamic. That's how I see, in a greatly abbreviated form, of course, the seventh plenum.

[Reporter] So, it was a critical analysis and conclusions following from it?

[Rakowski] Indeed, a highly critical analysis, undoubtedly necessary at this time because—I can add here that, as it was noted in the report—over the last few months, or during the last period, a certain slowing down had taken place of, let's say, the rate of the process, the indispensable process of transformations, which should be taking place both in the economic sphere and in sociopolitical life. I hope that this plenum is going to play a truly significant, mobilizing role—I do not like using that word, we have often discussed mobilization and mobilizing. But I believe that it can play such role, and I would simply recommend to all those citizens who regard themselves as politically active to study carefully our resolution as well as the progress of the whole plenum.

[Reporter] But it seems that the word mobilization this time is not going to be just an empty word, since the plenum expressed political will and defined, provided political opportunities for the development of initiative and creative activity.

[Rakowski] Indeed, undoubtedly. I think that that is how it should be, and that is what we are counting on, because of course the party leadership is not going to do anything by itself. I would like to add that after all in Poland there are a great many people who want to work, who want to work actively, but who frequently cannot as the result of some kind of restrictions or obstacles which are still inoperation, bureaucratic practices, and so on and so forth. So I believe that we can say that the seventh plenum has cleared even more the foreground, or maybe not the foreground but the field, for a quicker reform of our sociopolitical and economic system.

[Reporter] Thank you very much.

[Rakowski] You're welcome.

PZPR's Czyz Discusses Opposition to Reform

PM1706153688 Madrid MUNDO OBRERO in Spanish 26 May 88 pp 32-33

[Interview with PZPR Ideology Department Director Andrzej Czyz by Patricio Gomez; date and place not given]

[Text] [Gomez] A policy of reforms was approved at the latest PZPR congress. What is the substance of this policy of reforms? What are its essential features?

[Czyz] Its political aspects are based on the democratization of political relations. It is a process of moving away from a very centralized state with a very heavy bureaucratic administrative apparatus toward greater initiative on the part of the population and society, toward democracy and the people's involvement in the country's sociopolitical life. In the economic field, this reform grants state enterprises the possibility of self-management based on the principle of the enterprise's management by a self-management body. The management of the entire national economy is not based now on directives issued from the center: It is based on decentralization, self-management, and the importance of the natural economic mechanisms that control the market.

[Gomez] Nevertheless, these reforms also entail certain costs in the form of pay and social measures.

[Czyz] In the present situation, the initial impact of these natural features of the market on the economy caused some fear and uncertainty among people. The price increases were offset by pay increases but this offset was not the same in all sectors of the economy. Above all, I must stress that price increases cause a feeling of unease within society, especially since the present level of prosperity in Poland is lower than in the late seventies. All these circumstances have caused increased unease and tension within society. This has been reflected in strikes in some 20 enterprises, which lasted more than 2 days in only three of them.

[Gomez] Last year, the reform plan was made the subject of a referendum. Although the majority of votes cast were in favor of it, they were not enough to reach the 50 percent set by the Polish Constitution as the minimum for its ratification. What is the Polish Government's interpretation of the referendum result? What will be the pace of implementation of the reforms?

[Czyz] In the referendum the majority of those voting expressed their opinion in favor of setting the reforms in motion soon: 68 percent of those voting were in agreement and voted in favor but, as you know, this majority accounted for only 44-46 percent of those entitled to vote on the two questions put. We did not meet the 50 percent required for the reforms' implementation at a very rapid pace. The government drew the following conclusions:

First, there is a large movement in support of this reform that we proposed;

Second, there must be no backtracking in the implementation of the reform and no limits must be set on its development;

We must have faith in the 12 million who supported the implementation of not only economic but also political reform, because the second question proposed the country's greater democratization and liberalization. Mistrust must not be created among the majority who voted in favor. This is the conclusion of our analysis. Nevertheless there must be a revision of the means of implementing the reform and account must be taken of the fear among the population of excessively rapid reforms. This is why the rate of price increases was reduced, though we also drew other conclusions. We have seen some very critical observations and comments about other aspects of the country's social and political; life very important to our future development. This is an asset that we must introduce to our analysis of the mode of implementation of the reform. I believe that if the referendum had not been held the dissatisfactions would be more widespread within society and there would be more problems such as strikes and so forth.

[Gomez] Speaking of strikes and dissatisfactions, let us turn to the conflicts that have rocked Poland in recent weeks: What is your opinion of them, Comrade Czyz? Are they in opposition to the reform? Which forces oppose it? What is Solidarity's attitude toward the reforms?

[Czyz] I believe that the foundation of this movement of dissatisfaction lies in the deterioration of people's living conditions caused by our economy's structural troubles, exacerbated by certain errors of pay policy.

The first strike occurred at Bydgoszcz in the city's municipal transport enterprise on 24 April. The demands were fully supported by the enterprise's trade union organization and the management succeeded in signing an agreement on pay matters with the trade unions. The strike lasted a day, and it was difficult for the enterprise to reach a decision because it had to find enough funds to increase wages by increasing ticket prices. This can be done within the context of the reform because it grants enterprises the means necessary for their survival. Some days later another strike occurred at the Nowa Huta steelworks in two departments producing sheet steel, where a strike committee was formed that took up the demands that the enterprise trade union was already negotiating with the management. Before the negotiations ended the committee—which included some former Solidarity members and people who did not work at the steelworks—called a strike. Negotiations for an agreement began based on the similarity of the committee's demands with those of the trade union organization, but as they proceeded the committee constantly raised the number and level of its demands, and one of them—a universal and obligatory 6,000 zlotys increase and an adjustment clause to take account of changes in the cost of living—could not be accepted because it would have entailed a pay increase throughout the national economy. It would have entailed an additional expenditure of 6 billion zlotys, which would have distorted the entire state economy. The strike dragged on and the Polish Episcopate intervened as mediator, but without success. The strike's impact on other sectors of the national economy—automobiles, domestic electrical goods, and so forth— requiring raw materials from the works forced the government to decide to break the strike. I must point out that all these strikes were illegal, failed to meet the requirements of the law governing them.

We did not break the strike at the Gdansk shipyards, despite its illegality, and after 8 days of conflicts 400 people occupied the shipyards where over 11,000 people work. The Episcopate intervened there too, but successfully this time. After the 8 days the 400 workers left the shipyard, while their demands were negotiated and analyzed, and those that could be accepted—a pay increase and other minor demands—were accepted, but on the basis of negotiations with the legal trade union that worked in the shipyard.

I would like to stress now that the Polish trade unions have 8 million members. Over 60 percent of the workforce belong to them. Over half the members of their leaderships are former Solidarity members and even their present chairman was a prominent Solidarity member.

I would like to extend my reply a little further. The latest events in the country, the destabilization attempts, are directed against these reforms and against any kind of change. The inspiration beginning these events is clear to us; it is directed against all aspects of the reform and of the democratization of the country's life: It is a real battle.

[Gomez] What is your opinion of the political process begun by the USSR under the name of "restructuring" and what impact is in having on the socialist European countries?

[Czyz] Restructuring marks the start of a major stage in the development of socialism and opens up a period in which we will again take up the loftiest values of socialism and the system will be thoroughly restructured to achieve our main task—the elimination of people's feeling of exclusion and social alienation; alienation from the means of production and their organization; and alienation from influencing the political decisions and cultural and scientific values that life entails. Other factors are only means of achieving this task, which is why they must not be portrayed as questions of principle.

It is a means of achieving a more important task. During this period we must abandon inefficient methods and structures and just seek the forms best suited to situations and life today.

This process, which in the USSR is known as "restructuring," we call the "socialist revival." The quest for and the purity of moral values, socialist values, the efficient economic management of our countries, political efficiency: I believe these are the most important elements of the answer to this question.

PZPR Aide Views Letter Writers' Complaints

PM2006113788 Poznan GAZETA POZNANSKA in Polish
10 Jun 88 p 8

[Interview with Marian Kot, director of PZPR Central Committee Correspondence and Inspection Office, by GAZETA POZNANSKA correspondent Zygmunt Rola; date and place not given]

[Text] [Rola] Is the party becoming weary?

[Kot] Weary of what? Looking into complaints and responding to interventions? No, it is not likely that the party will run out of the energy and strength to deal with those. During last year almost 144,000 letters were received at all levels of authority in the party (including more than 52,000 addressed to the Central Committee) and 263,000 personal callers were seen (over 7,000 at the Central Committee). Party voivodship committees are becoming more and more active in taking care of people's problems, and their first secretaries often personally attend to large numbers of cases. Voivodship executive authorities organize extramural hearing sessions in towns and parishes which register the highest number of complaints with the Central Committee and voivodship committees. This is done for the purpose of analyzing the sources of the existing conflicts and making appropriate decisions, including personnel changes.

[Rola] Authors of letters addressed to the party can thus be called the exponents of popular feeling....

[Kot] Yes. They also supply us with information on what goes on within the community and on the party itself.

[Rola] In view of the results of public opinion surveys, Prof Wladyslaw Markiewicz recently spoke in public of the loss of prestige the party has suffered....

[Kot] Had there really been a significant drop in public confidence in the party, we would have noted that fact both here in the PZPR Central Committee Correspondence and Inspection Office and at other levels within the party structure. The number of letters and requests for intervention would simply have gone down. But it has not done so.

[Rola] All the same, in many circles one can note a change for the worse in people's view of the party that is easily discernible, as it were, with the naked eye, without the need to resort to the results of sociological surveys....

[Kot] Even if this is so, it is only in those circles where party organizations do not take it upon themselves to resolve people's everyday problems. This is true particularly of small organizations, but also of those which have to date failed to find a proper place for themselves in our new sociopolitical reality. For example, in the cooperative movement one occasionally encounters situations where the administrative apparatus gains control over primary party organizations simply because it is stronger.

[Rola] So the resolution of the Fourth Central Committee Plenum did little to amend the situation...

[Kot] In a considerable number of cases it turned out to be relatively powerless to encourage organizations to try and resolve the more difficult problems that occasionally develop into full-scale conflicts.

[Rola] Do the authors of letters to the Central Committee state their attitudes to the reform program in Poland? How did they react to the issues discussed at the sixth plenum?

[Kot] Few of our correspondents touch on issues of ideology or politics. Some of them express their concern about the liberalization of the sociopolitical scene in Poland which, in their opinion, can jeopardize the leading role of the PZPR....

[Rola] What do the Central Committee's correspondents think of the economic reform?

[Kot] The most frequent comments point to the lack of results from any of the operations that are undertaken. On the whole, the authors of those letters do not believe that the whole undertaking can be successful: They associate the reform exclusively with price increases rather than improvements in the living standard of the population. People write to us about the need to introduce tighter work discipline. Some favor the concept of limited unemployment which might galvanize people to work better. In general, the letters contain many suggestions and postulations. These are mostly about removing certain persons holding managerial posts who have failed to carry out their tasks from positions in which they can influence the running of the economy. They also suggest that the number of persons holding administrative posts is excessive and should be reduced. One of the essential prerequisites of the success of the economic reform, according to our correspondents, is a real improvement in production organization and employee relations in enterprises.

[Rola] That means a broadly interpreted personnel policy....

[Kot] Yes. Personnel policy in enterprises receives a lot of comment. In their letters to the Central Committee people cite instances of persistent bad management, wastefulness, and deterioration of production quality, placing the responsibility for this state of affairs with incompetent management. They write about the arrant indolence of the inflated administration. The managerial echelons are often also charged with incompetence, pursuit of private interests, backscratching practices, and abuse of their positions for the sake of personal gain. Some of our correspondents recall the mistakes made by the people who held the power in the seventies, pointing to the revival of the arrogance of the managerial cadre today in enterprises, institutions, and state administration. Signals pointing to various instances of malpractice committed by members of economic units are fairly frequent too. Their operations involve a lot of fictitious setups and backscratching practices. For example, managers organize so-called "boss's Saturdays" [work on a statutorily free Saturday], and because remuneration for work on a free Saturday is higher than for ordinary working days, the privileged recruits selected by the manager can count on additional, high earnings.

[Rola] The assessment of the managerial echelons is a recurrent theme in our conversation....

[Kot] This is because it constitutes a recurrent theme of the letters addressed to the Central Committee. We hear about drunkenness, ignorance of the regulations on the part of enterprise administration, infringements of these regulations—often followed by a failure to meet the deadlines dictated by the legislation—and also about protectionism and arrogance. Difficult personal cases are often still treated with bureaucratic indifference, and the practice still persists of passing on the received complaints to be looked into by the very establishments which people have complained against in the first place. As we analyze all the signals described in the letters and reported personally by our callers, we often conclude that negative decisions are frequently made out of unwillingness to take risks and fear of the possible necessity to take responsibility for decisions favorable to the interested parties.

[Rola] Is it possible to draw conclusions from all those cases about the work of party organizations and PZPR echelons?

[Kot] Some of our correspondents virtually concentrate on this question. Last year we had almost 1,100 letters on the subject, which was slightly less than in 1986 but more than the year before that. Here the complaints usually concerned questions of the moral and ideological standing of members of local party apparatus, poor work results of party secretaries—mainly those from enterprise committees and primary party organizations—and local party structures, and the lack of contact between those in charge of local party structures and other party organizations and rank-and-file party members. Campaign work and action initiatives continue to be the weak point in the work of first-level party organizations.

[Rola] Then one can hardly be surprised at the depth of people's disillusionment and bitterness or at the disparity between officially formulated assessments and private opinions....

[Kot] These disparities are also the subject of many letters. For example, people contrast the reformatory campaign of the party and state leadership with the conservative practices often encountered at the local levels. Had the "bottom levels" observed both the statutory principles and the decisions encapsulated in Central Committee resolutions, reform in Poland would have been far more advanced than it appears to be at this moment. Our correspondents comment bitterly that party documents are either not known at all, even at the level of party organizations and echelons, or simply ignored—also at these levels.

[Rola] A new concept appeared recently in our political journalism: that of creating a new Marxist-Leninist party in Poland, either to replace the PZPR or to stand as a second, rival party of the same type....

[Kot] Within a party as large numerically as the PZPR it is natural to hear differing, or even diametrically opposed views and opinions. But these suggestions, introduced in the forum of political journalism, are not echoed to any large extent in the letters addressed to the Central Committee. Literally only two or three letters have been noted to concern this subject. On the other hand, many more of our correspondents discuss the question of the functions which the PZPR ought to perform in the new sociopolitical and economic reality. The authors of these letters want to see a change in the model of the party, a departure from the traditional norms—such as those defined in the party statute and concerning, for example, the prescribed monthly meetings—or, generally, speaking, a break with formalism in favor of active participation of party members in a variety of self-government cells, in PRON, and in other public organizations.

[Rola] Most of the letters are presumably addressed to the first secretary of the Central Committee. Does Wojciech Jaruzelski actually get to see the letters that so many Poles write to him?

[Kot] It is true that nearly 80 percent of our correspondents address their letters to the first secretary of the PZPR Central Committee. That comes up to some 40,000 letters per year. All those which can be of direct interest to the addressee because of their content are handed to him. He cites these letters on various occasions, such as his public speeches and internal party addresses, quoting from the concrete examples, both positive and negative, contained in them. He also replies

to some of the letters in person. Over 1 year there are about 1,000 such replies. The first secretary sometimes also meets some of his correspondents. These meetings are reported in the papers.

[Rola] Are they exclusively with party members?

[Kot] No. On the whole, there are more nonparty people among his interlocutors at such meetings. The selection criterion for people invited to them is not party membership but the presentation of the author's original, individual, and unconventional views on the most vital issues concerning the party, the state, and the economy—even if they are very highly critical of the course of action followed by the PZPR.

[Rola] Thank you for the interview.

Biographies of Newly Elected PZPR Members

LD1506102288 Warsaw PAP in English
0104 GMT 15 Jun 88

["Biographies of New Members of PUWP Supreme Authorities"—PAP headline]

[Text] Warsaw, June 14—The following are biographies of newly elected members of the PUWP supreme authorities:

Wladyslaw Baka, 52, started to work at the PUWP CC in 1972 as department head in the economic section, associate professor at Warsaw, author of many scientific publications on planning and economic policy. Between 1976 and 1980 he was a member of the Presidium of the Committee for Economics of the Polish Academy of Science. Since 1980 he is the secretary of the Commission for the Economic Reform. In 1981 he was nominated as minister, member of the Council of Ministers, government plenipotentiary for the economic reform. In 1985, the Polish parliament appointed Baka as president of the Narodowy Bank Polski (National Bank of Poland). He is a member of the Consultative Council at the president of the Council of State.

Marian Orzechowski, 57, has been a member of the PUWP CC since 1981. He was an alternate member of the PUWP CC Political Bureau between 1983 and 1986 and a member of the Political Bureau since 1986. He was the rector of the Academy of Social Sciences by the PUWP CC between 1984 and 1986. As of 1987 he was the vice-chairman of the Presidium of the PUWP CC International Commission. In the years 1983-1985 Orzechowski was general secretary of the National Council of the Patriotic Movement for National Movement (PRON). In 1985, he was appointed by the Polish parliament minister of foreign affairs.

Mieczyslaw Rakowski, 62, worked at the PUWP CC Propaganda Department between 1955 and 1957. From 1958 till 1981 Rakowski was editor-in-chief of the POLITYKA weekly. He was appointed vice-chairman of the Council of State in 1981 and deputy speaker of the Polish parliament in 1985. He is the chairman of the Socio-Economic Council by the Sejm. Rakowski is an author of a number of books devoted to problems of international relations.

Stanislaw Ciosek, 49, was appointed minister, member of the Council of Ministers in 1980. During the 6th and 7th PUWP congresses he was elected CC alternate member and starting from the 8th to 9th congress he was a member of the PUWP CC. Since 1983 he was minister of labour, wages and social welfare and at the same held the post of minister, member of the Council of Ministers for cooperation between the government and trade unions.

Since 1984, Ciosek was minister, member of the Council of Ministers, secretary of the Socio-Political Committee and deputy chairman of the Committee for Cooperation with Trade Unions by the Council of Ministers.

In 1985, the 23rd CC Plenum appointed Ciosek head of the PUWP CC Social and Legal Department. As of 1988, he is the general secretary of PRON's National Council.

Boguslaw Kolodziejczak, 59, was an officer of the cabinet at the Ministry of Defense between 1972 and 1981. He took part in the activities of the International Commission for Supervision and Control in Indochina as its member. Since 1982 he was the head of the Chancellery of the CC Secretariat.

Since 1946 he took part in the activities of the Fighting Youth Union ZWM and later on in the Polish Youth Union ZMP. He joined the Polish Workers Party PPR in 1948. He is a member of the PUWP since the merger of the workers movement. He held a number of party posts. He was a delegate for the 10th PUWP Congress during which he was elected member of the Central Committee. He is an author of books devoted to military and political issues.

Situation at Lenin Shipyards Assessed

AU0806080188 Budapest NEPSZABADSAG in Hungarian 28 May 88 p 8

[Report by Jozsef K. Nyiro: "Our Correspondent's Report from Gdansk—About the Shipyards After the Strike"]

[Excerpts] [Passage omitted] The question that concerns people at the Lenin Shipyards in Gdansk is: What will the future of the shipyards be? And this question cannot be separated from answering whether the actions that occurred at the beginning of May can recur, and whether the enterprise is completely at the mercy of these actions.

Henryk Koscielski is the trade union secretary at the enterprise. He has been working there for 36 years, and—if only for this reason alone—he has a thorough

knowledge of the conditions at the enterprise. He decisively rejects the assumption that the Lenin Shipyards is still a headquarters for Solidarity at present.

He said quite enthusiastically: "You know, 3 years ago it could have been worth talking about this, but this is hardly the case at present. A small group consisting mainly of young people was brought into this strike. Most of them have been employed here for quite short periods. They were also joined by people from outside the shipyards. However, the majority of the approximately 10,000 employees, about 9,000 people, continued working and did not even think about stopping work. [passage omitted]

"What took place here was political action. Under the banner of trade union pluralism, it was mainly young people who were drawn into this. The workers' interest was only an excuse. I spoke about this with Walesa, but we could not come to an agreement. Because one aspect of the events is that when the manager closed the enterprise, he said that if there is no enterprise, there is no trade union, and he wanted to send us home, too. However, we referred to the laws and to the fact that the trade union is independent. We not only worked here, we also slept here, in the enterprise. We issued daily communiques to inform the people on the strike. But do you know what happened? The strike committee made a decision on whether the workers on strike could read our communiques or not. So much for democracy."

Henryk Ledynia, organization secretary of the party shipyard committee, added the following: "About 200-300 Communists were on duty in the enterprise during the strike. Their task was to try and extricate as many young people as possible from the strike by speaking to them nicely and convincingly, with a differing manner and according to each individual's language, because it is clear that nothing can be achieved by calling them all hooligans. Of course, there were also hooligans among them, but most of them meant well when they became involved in the matter. And it is a solid fact that the record number of people on strike, which reached about 1,000, dropped to several hundred toward the end of the strike." [passage omitted]

The party organization at the shipyards is presently preparing an analysis to thoroughly explore the reasons for the events at the beginning of May. Two things are already clear from the talks held at the basic organizations. One—that neither on the national nor on the local shipyard level did the majority of the workers respond to the appeals to go on strike, and this in itself gave strength for further work. Two—it is clear that, within socialist legality, the present structure is also capable of efficiently handling justified economic demands and the conflicts that emerge from them, as this is demonstrated precisely by the work done by the trade union.

As of 1 June, a new wage system will be introduced in the shipyards. Compared with the previous one, this system will be based much more extensively on performance. Accordingly, differentiation will also be much more pronounced: On the basis of his performance, a worker will be able to get even 300-350 percent more than the 1987 average wages of 39,000 zlotys.

The losses caused by the strike amount to 2 billion zlotys. At the same time, on the one hand the new wage system with higher salaries comes into effect on 1 June, and on the other hand, there is the announcement by financial organs that they are unable to give the enterprise further subsidies. All this is happening at a time when ship manufacturing is faced with difficulties not only in Poland, but all over the world. Finally, one more fact which increases the economic difficulties of the shipyards is that, according to Koscielski's estimate, after long years of work about 2,000 workers are at present unable to perform hard work. Therefore, it is necessary to find an easier job for them within the enterprise; at the same time, however, they will continue to receive their pay as if they were carrying out hard physical labor at present. If they are released from work, they will be unable to obtain the same salary. In addition, Koscielski thinks that it would also be unjust for people who have lost their strength working at the shipyards to be now simply sent away.

Question: Is there an enterprise anywhere in the world which is able to overcome such difficulties?

Tadeusz Albecki, deputy business manager of the Lenin Shipyards, says the following: "Look, I am not a politician, and I start mainly from the premise of economic realities. I think that the data that have been published on the subsidies and losses of the shipyards have been manipulated a little. The issue is not simply one of eliminating subsidies or closing down the enterprise overnight. I think our difficulties will start after 1990, because then we will not receive reimbursement for exports. [passage omitted]

Work is being carried out at the shipyards in two important strategic directions to work out a production structure which will be more modern than before. One—as of the nineties, they are planning to accept only orders for ships which, on the basis of the currently foreseeable regulators, will also be profitable in the future. Two—they want to use the capacities thus freed to manufacture products which are in demand on the world market. Among other things, they are thinking of manufacturing installations for nuclear power stations, but equipment for environmental protection could also be considered. [passage omitted]

Albecki said that they clearly realized that economic reform is not only necessary, but also unavoidable. "Naturally, we have to draw the necessary conclusions. In the shipyards, for example, the conclusion is that, after we have developed our new product structure,

foreseeably we will need fewer workers than at present. The situation will obviously be the same in other enterprises, too, and therefore it is conceivable there will also be temporary and limited unemployment accompanying the regrouping of manpower. We should accept the conflicts that accompany this process. Moreover, we should already being to prepare for the tensions."

Past, Present Relations With Jews Examined

AU1806150688 Warsaw SLOWO POWSZECHNE in Polish 8 Jun 88 p 4

[From the press review compiled by "(T.J.)": "About Polish-Jewish Relations"]

[Text] The most recent issue (4/5 for April and May) of ZDANIE monthly, which was being put together during the functions in our country to pay homage to the memory of the Polish Jews murdered by the Germans in World War II, carries a number of articles that spotlight Polish-Jewish relations in various ways. I would like to draw your attention to the article by Jerzy Robert Nowak under the title "Emotions and Historical Truth," which is an objective review of the very long history of the coexistence of two nations, one of which appeared in Poland only because it sought and found here shelter from oppression and persecution in the West. At the same time, it is common knowledge (probably decidedly inadequate) that for many years now Poland and Poles continue to be slandered by many publications, including Western publications, in which "efforts have been made to saddle the Poles with joint responsibility for the German crimes and thus to diminish the guilt of the real criminals."

Nowak recalls: "The novel 'Sophie's Choice,' which was written by U.S. author William Styron, has been a particularly glaring example of this attitude. The novel presents a Pole, a professor of Krakow University, as the creator of the plan to liquidate the Jews and as a person who does his best to induce the Hitlerites to realize his plan.

"Quite often generalizations about Poles' alleged participation in the murders of Jews have been based on the assumption that there was a direct link between various anti-Semitic statements and articles made and written by the activists of the National-Radical Party or between university excesses in the thirties, on the one hand, and the acceptance of the extermination of Jews, on the other. Many specific facts from the time of the war decisively scotch such 'logical' conclusions reached by the authors who fail to understand that there is a fundamental difference between attempts to institute an economic boycott and shameful ideas to create a 'lecture-room ghetto' in universities, on the one hand, and the gory liquidation of people of another race, liquidation that is absolutely against Polish traditions, on the other."

Let us no more than cite the conduct of Jan Mosdorf, who was one of the leaders of the National-Radical Party set up in 1934 and who was imprisoned in the Auschwitz concentration camp.

"Mosdorf often helped his Jewish fellow prisoners and warned them against lurking dangers. Jewish writer Wolf Glicksman says that Mosdorf often risked his life by taking his, Glicksman's, letters to a woman relative in the Birkenau camp. As a scribe in the camp administration, Mosdorf saved the lives of many inmates, including Attorney Mieczyslaw Maslanka, by helping them to get transferred to other hospital blocks, which saved them from death by gas."

Such conduct was no exception. Many Jews were saved, thanks to Poles' stance and help. Those who saved Jews included priests, nuns, and lay people. Jan Dobraczynski could tell us much more on this subject, because it is only too seldom that he says anything on it. We should also recall the fact that "Poland was the only country occupied by the Germans in which assistance for Jews was punished by death."

Nowak continues: "Let me also recall that Dr Janusz Korczak and other people incarcerated in the Warsaw ghetto created the idea of of erecting after the war a monument of gratitude in honor of the Poles who gave Jews disinterested help. In his book Jerzy Slaski says that a drawing of this monument, which was to be called 'To Those Who for the Price of Their Lives...,' showed a loaf of bread cut by a knife bearing a white eagle."

As for monuments, it is high time to ask why it is that Warsaw is still without a monument in honor of Szmul Zygelbojm, a member of the National Council of the Polish Republic [in London], who committed suicide in protest against the passivity and indifference on the part of the worldwide Jewish organizations and the governments of the anti-Hitlerite coalition, despite the alarming reports from the Polish emigre government about the plight of Jews.

Nowak is right when he writes: "It seems to me that the issue of research into relations between Poles and Jews during World War II—relations between two world nations who have been so tragically decimated—continues to be tremendously important today, too, for the sake of our national self-knowledge and for the sake of Poland's image abroad. Unfortunately, the impression still persists that, despite the fact that the number of publications on this subject has been significant in the eighties, too many divergencies still exist, even with reference to the concrete facts."

Nowak states in conclusion: "The long-awaited publication of the basic albeit greatly controversial work by Emanuel Ringelbaum on Polish-Jewish relations during the war would at last fill a very important gap in the history of these relations. I also join Professor M. Stepien in his appeal in ZDANIE that the excellent book by

Kazimierz Iranko-Osmecki entitled "He Who Saves One Life—Poles and Jews in 1939-45" should be published here. This book was published in London 20 years ago. We must also publish an extensive and comprehensive work about the fate of Jews in all countries occupied by the Hitlerites and in the countries allied with the Third Reich so that the discussion of only Polish-Jewish relations during the war and the fate of Polish Jews—a discussion that takes no notice whatsoever of what happened to the Jews in other countries in Europe—comes at last to an end."

Czechoslovak Premier Continues Meetings, Ends Visit

CTK Reports Dinner Toasts

LD1606222788 Prague CTK in English 2019 GMT 16 Jun 88

[Text] BELGRADE June 16 (CTK)—Visiting Czechoslovak Premier Lubomir Strougal today called for new forms of advantageous Czechoslovak-Yugoslav cooperation, based on the principles of equality and respect for each country's way of building socialism.

At a dinner given in his honour by his Yugoslav colleague Branko Mikulic, Lubomir Strougal stressed the need for a change in the quality of bilateral cooperation and went on to point out that the growth of the trade turnover has slowed down and problems have been increasing around deliveries of technology and engineering products. He stressed that resolute measures are necessary if the targets of the long-term program of economic and scientific-technological cooperation between Czechoslovakia and Yugoslavia till 2000 are to be reached.

Referring to world topics, Premier Strougal said the recent Soviet-American summit in Moscow confirmed the triumph of common sense in the solution of international problems and that the Soviet-American INF Treaty, signed last year can be a beginning of the path leading to a ban on all nuclear weapons. Recalling hopes that a treaty on halving strategic weapons will be signed in the foreseeable future, that chemical weapons will be eliminated and conventional weapons reduced to a level required only for defence, Lubomir Strougal said it seems mankind embarked on a path towards understanding and confidence which will be neither short nor without obstacles but its direction has been laid down.

In this context he pointed out the importance of not only big powers but also medium and small countries contributing to the peace-seeking process. The Czechoslovak Government, therefore, is active in pursuing partial disarmament steps, such as the establishment of zones free of nuclear and chemical weapons, the Czechoslovak premier said recalling in this connection the latest initiative to set up a zone of confidence and cooperation on the line dividing Warsaw Treaty and NATO states.

He spoke with appreciation of Yugoslavia's role in the Balkans, in the Non-Aligned Movement and at the CSCE follow-up meeting in Vienna.

Yugoslav Premier Branko Mikulic said in his address that Czechoslovakia and Yugoslavia have achieved great successes in their mutual relations, in cooperation based on jointly agreed principles of equality, independence, sovereignty, non-interference, respect for the difference in roads of socialist construction and different international positions.

Czechoslovakia is one of Yugoslavia's largest economic partners. However, there exist conditions and possibilities for a more effective use of new forms of cooperation—industrial cooperation and specialization as well as direct contacts between the two countries' enterprises based on stable foundations, he said.

Yugoslavia welcomes the resumption of the dialogue on disarmament which acquired a concrete shape in the Soviet-U.S. INF treaty. This strengthened the hopes for the achievement of stable peace and for the beginning of a process of arms limitation in all spheres.

Just as the other nonaligned states, Yugoslavia too, considers it imperative that all states should join the process of detente, as only peace based on equality and independence can be stable and lasting.

Yugoslavia is alarmed by the face that the positive developments in international relations do not yet encompass complicated economic problems of the world of today. A constructive North-South dialogue has not been opened, the large gap between the advanced and developing countries has been further widening and the developing countries are increasingly burdened with foreign debts. Yugoslavia is of the opinion that the question of foreign debts can be solved only by the creation of conditions for a speedier economic development of the indebted countries, the Yugoslav representative said.

He also said Yugoslavia attaches great significance to the CSCE follow-up meeting at which it strives for the strengthening of the atmosphere of confidence and for the creation of a comprehensive system of cooperation and security in Europe.

Yugoslavia is bound to help ease the military-political situation in Europe and change the continent into a reliable factor of world progress and stability, he added.

Confers With Krunic

LD1706154888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1205 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—Bosko Krunic, president of the LCY Central Committee Presidium, today held talks with Lubomir Strougal, member of the Czechoslovak Communist Party Central Committee Presidium and CSSR prime minister, who is staying in Yugoslavia at the invitation of the Federal Executive Council.

In a cordial and friendly conversation they highly assessed Yugoslav-Czechoslovak relations and cooperation between the LCY and the CPCZ. It was agreed that there is a good traditional basis for further development of these relations in the mutual friendly feelings of our nations, and that full political readiness and increasingly

objective economic prerequisites, together with the reforms of the economic systems in the two countries, open up new possibilities for cooperation.

Bosko Krunic, president of the LCY Central Committee Presidium, acquainted the guest with the basic content of the recently held LCY Conference and activities which, in accordance with the orientations of this meeting, are underway on the reform of the economic and political systems and in a democratic transformation of the LCY.

Informing him in detail about the current situation in Czechoslovakia, Lubomir Storugal stressed the consistent orientation of Czechoslovak society as a whole toward the necessary, complex, and comnprehensive economic and political reforms. He also pointed out the need for and usefulness of an exchange of experience and views between socialist countries and their parties, since most of them are searching for new strategies in the development of socialism, whose aim, of course, starting from the conditions and needs of each country, is the building of an economically more efficient and authentic democratic society.

In this context, Lubomir Strougal said that with great attention he was following Yugoslav experiences, which are characterized by audacity and unorthodox approaches. On behalf of the Czechoslovak Communist Party Central Committee Presidium, Strougal extended an invitation to the president of the LCY Central Committee Presidium to visit the CSSR. The invitation was accepted with satisfaction.

The talks were also attended by Dusan Rodic, SFRY ambassador to the CSSR, and Jan Husak, Czechoslovak ambassador to the SFRY.

Talks With Dizdarevic

LD1706174888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1405 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—Raif Dizdarevic, president of the Yugoslav Presidency, had talks in the White Palace today with Czechoslovak Premier Lubomir Strougal, who is paying an official friendly visit to Yugoslavia.

During a very cordial and friendly conversation the two sides agreed that cooperation between the two countries is developing successfully in all areas, in particular in the economic sphere. It was noted that this cooperation has reached the point whereby higher forms must be developed. Intensified economic relations must also be tackled in a creative manner. The two parties noted that it is in their joint interest to develop economic, scientific and technical, and others forms of cooperation on lasting and stable foundations and with a greater number of long-term arrangements. In this context, the importance of the agreements reached during Gustav Husak's visit to Yugoslavia last year was stressed.

Lubomir Strougal stressed Czechoslovakia's interest in cooperation with Yugoslavia. He pointed to the need to realistically view what has been attained during this cooperation and what represents an obstacle toward its development.

Current international issues were also discussed. Raif Dizdarevic said that the development of the international situation could be viewed with optimism. Dizdarevic also spoke of the role of the Nonaligned countries on the international scene, in European developments, in intensifying cooperation, and in creating conditions for greater security and understanding on the continent.

The two sides noted that no specific progress has been achieved regarding international economic problems. It was stressed that the international community must be involved more in solving international economic problems and that Yugoslavia and Czechoslovakia have a significant role to play.

FEC President Branko Mikulic; member Mito Pejovski; and Dusan Rodic, Yugoslav ambassador in Prague, also took part in the talks.

After the meeting Raif Dizdarevic hosted a luncheon in honor of the Czechoslovak premier.

CTK on Meeting With President

LD1706231988 Prague CTK in English 1854 GMT 17 Jun 88

[Text] Belgrade June 17 (CTK correspondent)—At a meeting with visiting Czechoslovak Premier Lubomir Strougal, Yugoslav President Raif Dizdarevic appreciated here today the extent of Czechoslovak-Yugoslav cooperation, especially in the economic sphere.

Nevertheless, Lubomir Strougal and Raif Dizdarevic stated that new forms of economic and other contacts must be sought.

Raif Dizdarevic said Yugoslavia welcomes the current positive developments in the world, the new process of easing international tension and the first steps towards disarmament made by the superpowers. He pointed to the developments in the Third World where so many problems have accumulated that it is the duty of the advanced countries to help the developing states solve them.

Assessing the European process, he expressed support for the Czechoslovak proposal to hold an economic forum.

Analyzing Yugoslavia's stand on the development in the Balkans and the Mediterranean, Raif Dizdarevic highly appreciated the results of this year's visit to Yugoslavia by Mikhail Gorbachev in connection with strengthening peace in this part of the world.

Czechoslovak Premier Lubomir Strougal expressed the conviction that Czechoslovak-Yugoslav cooperation will be more dynamic in the coming period and called for the consistent fulfilment of the long-term program of economic, scientific and technical cooperation between the two countries until the year 2000 as well as for direct industrial cooperation and joint ventures.

At the conclusion of the meeting Lubomir Strougal appreciated Yugoslavia's stand on peace and disarmament in the world and the CSCE follow-up meeting in Vienna. He recalled Czechoslovakia's proposal for the creation of a zone of confidence, cooperation and good neighbourly relations on the line dividing the Warsaw Treaty and NATO countries saying it is a significant contribution to the development of the European peace process.

Visits Tito's Grave

LD1706234488 Prague Domestic Service in Slovak 1500 GMT 17 Jun 88

[Text] Lubomir Strougal, federal prime minister, laid a wreath of red flowers at the grave of Josip Broz Tito in Belgrade today in homage to the memory of this important Yugoslav party and state official. Before leaving the memorial, he signed a visitors' commemorative book. Afterwards, he and his entourage made a brief stop in the center of Belgrade. On this occasion he also visited the best department store, the Beogradanka, the annual retail turnover of which is about 800 billion dinars.

Mikulic, Strougal Hold Talks

LD1706233588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1620 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—The comprehensive relations between Yugoslavia and Czechoslovakia should be intensified and further efforts made in order for longstanding plans to be implemented, FEC President Branko Mikulic and his guest CSSR Prime Minister Lubomir Strougal stressed this afternoon in their final talks.

The two sides noted with satisfaction that the frequent dialogue has already resulted in the elimination of the lag in trade, which is now developing within the frameworks envisioned. Thus, in the first 5 months of this year the value of trade was $343 million, in other words, six percent above the same period last year. Yugoslav exports of $142 million were 16 percent higher than the value of exports in the corresponding period last year, while imports from the CSSR have increased by 1 percent.

It is very important to note that up until the end of May the volume of concluded contracts on trade and services reached $990 million, or 64 percent of what was envisioned in the protocol for this year. Yugoslav exports will "take up" $515 million of this.

In the talks between Mikulic and Strougal, as well as in separate meetings between Nenad Krekic, federal secretary for economic relations with foreign countries, and Jan Sterba, CSSR foreign trade minister, and between Budimir Loncar, federal secretary for foreign affairs, and Jaromir Johanes, CSSR first deputy foreign minister, the emphasis was placed on what should be done and how in order for overall relations to be enriched and also for individual problems in mutual cooperation to be overcome. In this connection, it was stated that it is vital to resolve the question of the insufficient and inadequate supply of goods from the CSSR and also the problem of high prices for some of the products from that country.

Mikulic and Strougal agreed that in the coming period particular attention will be devoted to production cooperation deals and specialization and the exchange of services in communications, tourism, and civil engineering. They also agreed to resolve as soon as possible and in an appropriate way the problem of outstanding payments to Yugoslavia arising chiefly from Yugoslav services in tourism and the construction industry, because the method used up to now for covering this outstanding debt is no longer appropriate. The possibility of changing the structure of goods which are offered to Yugoslavia should therefore be considered, starting from real needs and the scope of its market. It was said, for example, that the SFRY, particularly after the liberalization of imports, could to a larger extent take in general consumer goods from the CSSR. Questions connected to the methods of making payments in reciprocal trade were also considered.

Some new forms of cooperation were also proposed, in the field of joint production of engines for the "Skoda Favorit" car and in the area of machine tools for the processing of so-called flexible lines, and there was discussion of expanding cooperation in the development of telecommunications, etc.

The two prime ministers proposed that steps be taken to form joint enterprises in the field of chemicals and in the timber and paper industry, and that cooperation on the basis of production cooperation and specialization in the manufacture of tractors and agricultural machines be increased.

The CSSR expressed the hope of participating in the development and reconstruction of some investment projects in the SFRY and Yugoslavia expressed its hope that its work organizations participation in the development of individual investment projects in Czechoslovakia, for example hotels and other projects, will continue.

The representatives of both governments also stressed the need to carry out commitments and work to ensure the smooth delivery of goods as set out in agreements for ferrous metallurgy and copper up to the end of this year.

There is special interest in an examination being made of the scope for joint participation in third markets and in concrete proposals being made as soon as possible in this domain of bilateral cooperation.

The two sides exchanged detailed information on the reforms which are being undertaken in the SFRY and the CSSR. Besides the similarities, differences were also noted in problems facing the two countries, which is understandable in view of the differences in their historical development and in the conception of the development of socialism. This also explains the particular approaches to the reforms which are being implemented.

The dialogue between Mikulic and Strougal was conducted without preconceived ideas and was accompanied by full respect for the specific differences in socialist development in the two countries.

There was also talk about Yugoslav-Czechoslovak cooperation in the framework of CMEA, the EEC, EFTA, and other economic groups.

The problem of debts and the difficult position of developing countries was also stressed.

Finally, Mikulic and Strougal concluded that during the 25-hour stay of the Czechoslovak prime minister a large number of questions has been dealt with in Belgrade and that the agenda planned for this visit has been entirely covered.

Talks to Press

AU2006173088 Prague RUDE PRAVO in Czech 18 Jun 88 p 7

[Petr Vana report: "Talk With Czechoslovak Journalists; for a Further Expansion of Relations"]

[Text] CSSR Premier Lubomir Strougal has concluded his official friendly visit to Yugoslavia; after a solemn ceremony, he was seen off at Belgrade Airport by Branko Mikulic, president of the SFRY Federal Executive Council (FEC), and by other representatives.

Talking to Czechoslovak Journalists [subhead]

Prior to his departure, L. Strougal granted an interview to reporters from the Czechoslovak communications media.

He told them that economic problems had been the main topic of his talks in the SFRY. We focused our attention on the dynamic development of our relations, he said. It is known that the trade turnover attained in our mutual exchange of goods amounts to $1.5 billion. Were we to undertake nothing at all, this turnover would drop this year very considerably—we could not disregard this fact. Among other things, this is due to the structural changes now taking place in Yugoslavia, particularly in its investment program. They are linked with limitations in the country's credit and financial policy. We have to reach an understanding on these issues, and we, on our side, must rationally adjust to the needs of the Yugoslav economy. All this has a much wider significance, since (for us) the SFRY is an interesting country in terms of tourism., However, we must earn the means for this tourism. The drop in Czechoslovak exports registered this year could cause us certain difficulties. I do not believe that these problems can be resolved during a single visit. That is why our experts will continue the talks in the coming weeks, in an effort to solve these issues completely.

However, the operational aspects of economic cooperation in 1988 were not the only issue discussed during the visit—we also dealt with future long-term programs. The Long-Term Program of CSSR-SFRY Economic and Scientific-Technical Cooperation Through the Year 2000, signed in September 1987 during Comrade Gustav Husak's visit to Yugoslavia, must be worked out in greater detail.

Apart from the economic issues, we focused our attention on the need to enhance the flow of mutual information, because both our countries can learn from each other.

Regarding international issues, we maintain a concurring, positive, hopeful view of the developments taking place in the world. We appreciate the Soviet proposals, we agree that the follow-up CSCE meeting in Vienna must be successfully concluded, and we assess in a positive way the initiatives submitted by the Nonaligned Movement in this direction. At the same time, the Yugoslav comrades have underscored certain problems in the process of activating North-South relations. We believe that these problems truly stand on the agenda of the day.

Our views on international issues basically concur or are close, and the coordination of the foreign policies pursued by our two countries is following the right road, L. Strougal said.

L. Strougal arrived back in Prague on the same day.

Ends Visit; Departs

LD1706175288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1627 GMT 17 Jun 88

[Text] Belgrade, 17 Jun (TANJUG)—Czechoslovak Premier Lubomir Strougal today ended his official friendly visit to Yugoslavia and left Belgrade.

At Belgrade Airport Strougal was accorded a formal sendoff.

The Czechoslovak premier was seen off by FEC President Branko Mikulic; Budimir Loncar, federal secretary of foreign affairs; FEC member Mito Pejovski; FEC Secretary General Zoran Miskovic; and other senior Yugoslav officials.